

## Union Calendar No. 420

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 6143

[Report No. 109-695]

To amend title XXVI of the Public Health Service Act to revise and extend the program for providing life-saving care for those with HIV/AIDS.

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### IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 21, 2006

Mrs. BONO (for herself, Mr. PITTS, Mr. BARTON of Texas, Mr. DEAL of Georgia, Mr. RADANOVICH, Mr. NORWOOD, Mr. UPTON, Mr. BUYER, Mrs. MYRICK, Mr. GILLMOR, and Mr. TERRY) introduced the following bill; which was referred to the Committee on Energy and Commerce

SEPTEMBER 28, 2006

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## A BILL

To amend title XXVI of the Public Health Service Act to revise and extend the program for providing life-saving care for those with HIV/AIDS.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “Ryan White HIV/AIDS Treatment Modernization Act of  
 4 2006”.

5 (b) TABLE OF CONTENTS.—The table of contents of  
 6 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—EMERGENCY RELIEF FOR ELIGIBLE AREAS**

- Sec. 101. Establishment of program; general eligibility for grants.
- Sec. 102. Type and distribution of grants; formula grants.
- Sec. 103. Type and distribution of grants; supplemental grants.
- Sec. 104. Timeframe for obligation and expenditure of grant funds.
- Sec. 105. Use of amounts.
- Sec. 106. Additional amendments to part A.
- Sec. 107. New program in part A; transitional grants for certain areas ineligible under section 2601.
- Sec. 108. Authorization of appropriations for part A.

**TITLE II—CARE GRANTS**

- Sec. 201. General use of grants.
- Sec. 202. AIDS Drug Assistance Program.
- Sec. 203. Distribution of funds.
- Sec. 204. Additional amendments to subpart I of part B.
- Sec. 205. Supplemental grants on basis of demonstrated need.
- Sec. 206. Emerging communities.
- Sec. 207. Timeframe for obligation and expenditure of grant funds.
- Sec. 208. Authorization of appropriations for subpart I of part B.
- Sec. 209. Early diagnosis grant program.
- Sec. 210. Certain partner notification programs; authorization of appropriations.

**TITLE III—EARLY INTERVENTION SERVICES**

- Sec. 301. Establishment of program; core medical services.
- Sec. 302. Eligible entities; preferences; planning and development grants.
- Sec. 303. Authorization of appropriations.
- Sec. 304. Confidentiality and informed consent.
- Sec. 305. Provision of certain counseling services.
- Sec. 306. General provisions.

**TITLE IV—WOMEN, INFANTS, CHILDREN, AND YOUTH**

- Sec. 401. Women, infants, children, and youth.
- Sec. 402. GAO Report.

**TITLE V—GENERAL PROVISIONS**

- Sec. 501. General provisions.

## TITLE VI—DEMONSTRATION AND TRAINING

Sec. 601. Demonstration and training.

Sec. 602. AIDS education and training centers.

Sec. 603. Codification of minority AIDS initiative.

## TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. Hepatitis; use of funds.

Sec. 702. Certain references.

# **TITLE I—EMERGENCY RELIEF FOR ELIGIBLE AREAS**

## **SEC. 101. ESTABLISHMENT OF PROGRAM; GENERAL ELIGIBILITY FOR GRANTS.**

(a) IN GENERAL.—Section 2601 of the Public Health Service Act (42 U.S.C. 300ff–11) is amended by strikingstriking subsections (b) through (d) and inserting the following:

“(b) CONTINUED STATUS AS ELIGIBLE AREA.—Notwithstanding any other provision of this section, a metropolitan area that is an eligible area for a fiscal year continues to be an eligible area until the metropolitan area fails, for three consecutive fiscal years—

“(1) to meet the requirements of subsection (a);  
and

“(2) to have a cumulative total of 3,000 or more living cases of AIDS (reported to and confirmed by the Director of the Centers for Disease Control and Prevention) as of December 31 of the most recent calendar year for which such data is available.

1       “(c) BOUNDARIES.—For purposes of determining eli-  
2   gibility under this part—

3               “(1) with respect to a metropolitan area that  
4       received funding under this part in fiscal year 2006,  
5       the boundaries of such metropolitan area shall be  
6       the boundaries that were in effect for such area for  
7       fiscal year 1994; or

8               “(2) with respect to a metropolitan area that  
9       becomes eligible to receive funding under this part in  
10      any fiscal year after fiscal year 2006, the boundaries  
11      of such metropolitan area shall be the boundaries  
12      that are in effect for such area when such area ini-  
13      tially receives funding under this part.”.

14      (b) TECHNICAL AND CONFORMING AMENDMENTS.—  
15   Section 2601(a) of the Public Health Service Act (42  
16   U.S.C. 300ff–11(a)) is amended—

17              (1) by striking “through (d)” and inserting  
18      “through (c)”; and

19              (2) by inserting “and confirmed by” after “re-  
20      ported to”.

21      (c) DEFINITION OF METROPOLITAN AREA.—Section  
22   2607(2) of the Public Health Service Act (42 U.S.C.  
23   300ff–17(2)) is amended—

24              (1) by striking “area referred” and inserting  
25      “area that is referred”; and

1 (2) by inserting before the period the following:

2 “, and that has a population of 50,000 or more indi-  
3 viduals”.

4 **SEC. 102. TYPE AND DISTRIBUTION OF GRANTS; FORMULA**  
5 **GRANTS.**

6 (a) DISTRIBUTION PERCENTAGES.—Section  
7 2603(a)(2) of the Public Health Service Act (42 U.S.C.  
8 300ff–13(a)(2)) is amended—

9 (1) in the first sentence—

10 (A) by striking “50 percent of the amount  
11 appropriated under section 2677” and inserting  
12 “66<sup>2</sup>/<sub>3</sub> percent of the amount made available  
13 under section 2610(b) for carrying out this sub-  
14 part”; and

15 (B) by striking “paragraph (3)” and in-  
16 serting “paragraphs (3) and (4)”.

17 (2) by striking the last sentence.

18 (b) DISTRIBUTION BASED ON LIVING CASES OF HIV/  
19 AIDS.—Section 2603(a)(3) of the Public Health Service  
20 Act (42 U.S.C. 300ff–13(a)(3)) is amended—

21 (1) in subparagraph (B), by striking “estimated  
22 living cases of acquired immune deficiency syn-  
23 drome” and inserting “living cases of HIV/AIDS  
24 (reported to and confirmed by the Director of the  
25 Centers for Disease Control and Prevention)”; and

(2) by striking subparagraphs (C) through (E)  
and inserting the following:

“(C) LIVING CASES OF HIV/AIDS.—

“(i) REQUIREMENT OF NAMES-BASED  
REPORTING.—Except as provided in clause  
(ii), the number determined under this  
subparagraph for an eligible area for a fis-  
cal year for purposes of subparagraph (B)  
is the number of living names-based cases  
of HIV/AIDS that, as of December 31 of  
the most recent calendar year for which  
such data is available, have been reported  
to and confirmed by the Director of the  
Centers for Disease Control and Preven-  
tion.

“(ii) TRANSITION PERIOD; EXEMP-  
TION REGARDING NON-AIDS CASES.—For  
each of the fiscal years 2007 through  
2010, an eligible area is, subject to clauses  
(iii) through (v), exempt from the require-  
ment under clause (i) that living names-  
based non-AIDS cases of HIV be reported  
unless—

“(I) a system was in operation as  
of December 31, 2005, that provides

1 sufficiently accurate and reliable  
2 names-based reporting of such cases  
3 throughout the State in which the  
4 area is located, subject to clause (viii);  
5 or

6 “(II) no later than the beginning  
7 of fiscal year 2008, 2009, or 2010,  
8 the Secretary, in consultation with the  
9 chief executive of the State in which  
10 the area is located, determines that a  
11 system has become operational in the  
12 State that provides sufficiently accu-  
13 rate and reliable names-based report-  
14 ing of such cases throughout the  
15 State.

16 “(iii) REQUIREMENTS FOR EXEMP-  
17 TION FOR FISCAL YEAR 2007.—For fiscal  
18 year 2007, an exemption under clause (ii)  
19 for an eligible area applies only if, by Octo-  
20 ber 1, 2006—

21 “(I)(aa) the State in which the  
22 area is located had submitted to the  
23 Secretary a plan for making the tran-  
24 sition to sufficiently accurate and reli-

1           able names-based reporting of living  
2           non-AIDS cases of HIV; or

3           “(bb) all statutory changes nec-  
4           essary to provide for sufficiently accu-  
5           rate and reliable reporting of such  
6           cases had been made; and

7           “(II) the State had agreed that,  
8           by April 1, 2008, the State will begin  
9           accurate and reliable names-based re-  
10          porting of such cases, except that  
11          such agreement is not required to pro-  
12          vide that, as of such date, the system  
13          for such reporting be fully sufficient  
14          with respect to accuracy and reli-  
15          ability throughout the area.

16          “(iv) REQUIREMENT FOR EXEMPTION  
17          AS OF FISCAL YEAR 2008.—For each of the  
18          fiscal years 2008 through 2010, an exemp-  
19          tion under clause (ii) for an eligible area  
20          applies only if, as of April 1, 2008, the  
21          State in which the area is located is sub-  
22          stantially in compliance with the agree-  
23          ment under clause (iii)(II).

24          “(v) PROGRESS TOWARD NAMES-  
25          BASED REPORTING.—For fiscal year 2009



1 or 2010, the Secretary may terminate an  
2 exemption under clause (ii) for an eligible  
3 area if the State in which the area is lo-  
4 cated submitted a plan under clause  
5 (iii)(I)(aa) and the Secretary determines  
6 that the State is not substantially following  
7 the plan.

8 “(vi) COUNTING OF CASES IN AREAS  
9 WITH EXEMPTIONS.—

10 “(I) IN GENERAL.—With respect  
11 to an eligible area that is under a re-  
12 porting system for living non-AIDS  
13 cases of HIV that is not names-based  
14 (referred to in this subparagraph as  
15 ‘code-based reporting’), the Secretary  
16 shall, for purposes of this subpara-  
17 graph, modify the number of such  
18 cases reported for the eligible area in  
19 order to adjust for duplicative report-  
20 ing in and among systems that use  
21 code-based reporting.

22 “(II) ADJUSTMENT RATE.—The  
23 adjustment rate under subclause (I)  
24 for an eligible area shall be a reduc-  
25 tion of 5 percent in the number of liv-

1 ing non-AIDS cases of HIV reported  
2 for the area.

3 “(vii) MULTIPLE POLITICAL JURISDIC-  
4 TIONS.—With respect to living non-AIDS  
5 cases of HIV, if an eligible area is not en-  
6 tirely within one political jurisdiction and  
7 as a result is subject to more than one re-  
8 porting system for purposes of this sub-  
9 paragraph:

10 “(I) Names-based reporting  
11 under clause (i) applies in a jurisdic-  
12 tional portion of the area, or an ex-  
13 emption under clause (ii) applies in  
14 such portion (subject to applicable  
15 provisions of this subparagraph), ac-  
16 cording to whether names-based re-  
17 porting or code-based reporting is  
18 used in such portion.

19 “(II) If under subclause (I) both  
20 names-based reporting and code-based  
21 reporting apply in the area, the num-  
22 ber of code-based cases shall be re-  
23 duced under clause (vi).

1 “(viii) LIST OF ELIGIBLE AREAS  
2 MEETING STANDARD REGARDING DECEM-  
3 BER 31, 2005.—

4 “(I) IN GENERAL.—If an eligible  
5 area or portion thereof is in a State  
6 specified in subclause (II), the eligible  
7 area or portion shall be considered to  
8 meet the standard described in clause  
9 (ii)(I). No other eligible area or por-  
10 tion thereof may be considered to  
11 meet such standard.

12 “(II) RELEVANT STATES.—For  
13 purposes of subclause (I), the States  
14 specified in this subclause are the fol-  
15 lowing: Alaska, Alabama, Arkansas,  
16 Arizona, Colorado, Florida, Indiana,  
17 Iowa, Idaho, Kansas, Louisiana,  
18 Michigan, Minnesota, Missouri, Mis-  
19 sissippi, North Carolina, North Da-  
20 kota, Nebraska, New Jersey, New  
21 Mexico, New York, Nevada, Ohio,  
22 Oklahoma, South Carolina, South Da-  
23 kota, Tennessee, Texas, Utah, Vir-  
24 ginia, Wisconsin, West Virginia, Wyo-  
25 ming, Guam, and the Virgin Islands.

1 “(ix) RULES OF CONSTRUCTION RE-  
2 GARDING ACCEPTANCE OF REPORTS.—

3 “(I) CASES OF AIDS.—With re-  
4 spect to an eligible area that is sub-  
5 ject to the requirement under clause  
6 (i) and is not in compliance with the  
7 requirement for names-based report-  
8 ing of living non-AIDS cases of HIV,  
9 the Secretary shall, notwithstanding  
10 such noncompliance, accept reports of  
11 living cases of AIDS that are in ac-  
12 cordance with such clause.

13 “(II) APPLICABILITY OF EXEMP-  
14 TION REQUIREMENTS.—The provi-  
15 sions of clauses (ii) through (viii) may  
16 not be construed as having any legal  
17 effect for fiscal year 2011 or any sub-  
18 sequent fiscal year, and accordingly,  
19 the status of a State for purposes of  
20 such clauses may not be considered  
21 after fiscal year 2010.

22 “(x) PROGRAM FOR DETECTING INAC-  
23 CURATE OR FRAUDULENT COUNTING.—  
24 The Secretary shall carry out a program to  
25 monitor the reporting of names-based

1 cases for purposes of this subparagraph  
2 and to detect instances of inaccurate re-  
3 porting, including fraudulent reporting.”.

4 (c) CODE-BASED AREAS; LIMITATION ON INCREASE  
5 IN GRANT.—Section 2603(a)(3) of the Public Health  
6 Service Act (42 U.S.C. 300ff–13(a)), as amended by sub-  
7 section (b)(2) of this section, is amended by adding at the  
8 end the following subparagraph:

9 “(D) CODE-BASED AREAS; LIMITATION ON  
10 INCREASE IN GRANT.—

11 “(i) IN GENERAL.—For each of the  
12 fiscal years 2007 through 2010, if code-  
13 based reporting (within the meaning of  
14 subparagraph (C)(vi)) applies in an eligible  
15 area or any portion thereof as of the begin-  
16 ning of the fiscal year involved, then not-  
17 withstanding any other provision of this  
18 paragraph, the amount of the grant pursu-  
19 ant to this paragraph for such area for  
20 such fiscal year may not—

21 “(I) for fiscal year 2007, exceed  
22 by more than 5 percent the amount of  
23 the grant for the area that would have  
24 been made pursuant to this paragraph  
25 and paragraph (4) for fiscal year

1           2006 (as such paragraphs were in ef-  
 2           fect for such fiscal year) if paragraph  
 3           (2) (as so in effect) had been applied  
 4           by substituting ‘66 $\frac{2}{3}$  percent’ for ‘50  
 5           percent’; and

6                       “(II) for each of the fiscal years  
 7           2008 and 2009, exceed by more than  
 8           5 percent the amount of the grant  
 9           pursuant to this paragraph and para-  
 10          graph (4) for the area for the pre-  
 11          ceding fiscal year.

12                      “(ii) USE OF AMOUNTS INVOLVED.—  
 13          For each of the fiscal years 2007 through  
 14          2010, amounts available as a result of the  
 15          limitation under clause (i) shall be made  
 16          available by the Secretary as additional  
 17          amounts for grants pursuant to subsection  
 18          (b) for the fiscal year involved, subject to  
 19          paragraph (4) and section 2610(d)(2).”.

20           (d) HOLD HARMLESS.—Section 2603(a) of the Pub-  
 21   lic Health Service Act (42 U.S.C. 300ff–13(a)) is amend-  
 22   ed—

23                      (1) in paragraph (3)(A)—

24                               (A) in clause (ii), by striking the period at  
 25           the end and inserting a semicolon; and

1 (B) by inserting after and below clause (ii)  
2 the following:

3 “which product shall then, as applicable, be in-  
4 creased under paragraph (4).”.

5 (2) by amending paragraph (4) to read as fol-  
6 lows:

7 “(4) INCREASES IN GRANT.—

8 “(A) IN GENERAL.—For each eligible area  
9 that received a grant pursuant to this sub-  
10 section for fiscal year 2006, the Secretary shall,  
11 for each of the fiscal years 2007 through 2009,  
12 increase the amount of the grant made pursu-  
13 ant to paragraph (3) for the area to ensure that  
14 the amount of the grant for the fiscal year in-  
15 volved is not less than the following amount, as  
16 applicable to such fiscal year:

17 “(i) For fiscal year 2007, an amount  
18 equal to 95 percent of the amount of the  
19 grant that would have been made pursuant  
20 to paragraph (3) and this paragraph for  
21 fiscal year 2006 (as such paragraphs were  
22 in effect for such fiscal year) if paragraph  
23 (2) (as so in effect) had been applied by  
24 substituting ‘66 $\frac{2}{3}$  percent’ for ‘50 per-  
25 cent’.

1           “(ii) For each of the fiscal years 2008  
2           and 2009, an amount equal to 95 percent  
3           of the amount of the grant made pursuant  
4           to paragraph (3) and this paragraph for  
5           the preceding fiscal year.

6           “(B) SOURCE OF FUNDS FOR INCREASE.—

7           “(i) IN GENERAL.—From the  
8           amounts available for carrying out the sin-  
9           gle program referred to in section  
10          2609(d)(2)(C) for a fiscal year (relating to  
11          supplemental grants), the Secretary shall  
12          make available such amounts as may be  
13          necessary to comply with subparagraph  
14          (A), subject to section 2610(d)(2).

15          “(ii) PRO RATA REDUCTION.—If the  
16          amounts referred to in clause (i) for a fis-  
17          cal year are insufficient to fully comply  
18          with subparagraph (A) for the year, the  
19          Secretary, in order to provide the addi-  
20          tional funds necessary for such compliance,  
21          shall reduce on a pro rata basis the  
22          amount of each grant pursuant to this sub-  
23          section for the fiscal year, other than  
24          grants for eligible areas for which in-  
25          creases under subparagraph (A) apply. A



1 reduction under the preceding sentence  
 2 may not be made in an amount that would  
 3 result in the eligible area involved becom-  
 4 ing eligible for such an increase.

5 “(C) LIMITATION.—This paragraph may  
 6 not be construed as having any applicability  
 7 after fiscal year 2009.”.

8 **SEC. 103. TYPE AND DISTRIBUTION OF GRANTS; SUPPLE-**  
 9 **MENTAL GRANTS.**

10 Section 2603(b) of the Public Health Service Act (42  
 11 U.S.C. 300ff–13(b)) is amended—

12 (1) in paragraph (1)—

13 (A) in the matter preceding subparagraph  
 14 (A), by striking “Not later than” and all that  
 15 follows through “the Secretary shall” and in-  
 16 serting the following: “Subject to subsection  
 17 (a)(4)(B)(i) and section 2610(d), the Secretary  
 18 shall”;

19 (B) in subparagraph (B), by striking  
 20 “demonstrates the severe need in such area”  
 21 and inserting “demonstrates the need in such  
 22 area, on an objective and quantified basis,”;

23 (C) by striking subparagraph (F) and in-  
 24 serting the following:

1 “(F) demonstrates the inclusiveness of af-  
2 fected communities and individuals with HIV/  
3 AIDS;”;

4 (D) in subparagraph (G), by striking the  
5 period and inserting “; and”; and

6 (E) by adding at the end the following:

7 “(H) demonstrates the ability of the appli-  
8 cant to expend funds efficiently by not having  
9 had, for the most recent grant year under sub-  
10 section (a) for which data is available, more  
11 than 2 percent of grant funds under such sub-  
12 section canceled or covered by any waivers  
13 under subsection (c)(3).”; and

14 (2) in paragraph (2)—

15 (A) in subparagraph (A), by striking “se-  
16 vere need” and inserting “demonstrated need”;

17 (B) by striking subparagraph (B) and in-  
18 serting the following:

19 “(B) DEMONSTRATED NEED.—The factors  
20 considered by the Secretary in determining  
21 whether an eligible area has a demonstrated  
22 need for purposes of paragraph (1)(B) may in-  
23 clude any or all of the following:

24 “(i) The unmet need for such services,  
25 as determined under section 2602(b)(4) or

1 other community input process as defined  
2 under section 2609(d)(1)(A).

3 “(ii) An increasing need for HIV/  
4 AIDS-related services, including relative  
5 rates of increase in the number of cases of  
6 HIV/AIDS.

7 “(iii) The relative rates of increase in  
8 the number of cases of HIV/AIDS within  
9 new or emerging subpopulations.

10 “(iv) The current prevalence of HIV/  
11 AIDS.

12 “(v) Relevant factors related to the  
13 cost and complexity of delivering health  
14 care to individuals with HIV/AIDS in the  
15 eligible area.

16 “(vi) The impact of co-morbid factors,  
17 including co-occurring conditions, deter-  
18 mined relevant by the Secretary.

19 “(vii) The prevalence of homelessness.

20 “(viii) The prevalence of individuals  
21 described under section 2602(b)(2)(M).

22 “(ix) The relevant factors that limit  
23 access to health care, including geographic  
24 variation, adequacy of health insurance  
25 coverage, and language barriers.

1           “(x) The impact of a decline in the  
2           amount received pursuant to subsection (a)  
3           on services available to all individuals with  
4           HIV/AIDS identified and eligible under  
5           this title.”; and

6           (C) by striking subparagraphs (C) and (D)  
7           and inserting the following:

8           “(C) PRIORITY IN MAKING GRANTS.—The  
9           Secretary shall provide funds under this sub-  
10          section to an eligible area to address the decline  
11          in services related to the decline in the amounts  
12          received pursuant to subsection (a) consistent  
13          with the grant award for the eligible area for  
14          fiscal year 2006, to the extent that the factor  
15          under subparagraph (B)(x) (relating to a de-  
16          cline in funding) applies to the eligible area.”.

17 **SEC. 104. TIMEFRAME FOR OBLIGATION AND EXPENDI-**  
18 **TURE OF GRANT FUNDS.**

19          Section 2603 of the Public Health Service Act (42  
20 U.S.C. 300ff–13) is amended—

21               (1) by redesignating subsection (c) as sub-  
22          section (d); and

23               (2) by inserting after subsection (b) the fol-  
24          lowing:

1       “(c) TIMEFRAME FOR OBLIGATION AND EXPENDI-  
2       TURE OF GRANT FUNDS.—

3               “(1) OBLIGATION BY END OF GRANT YEAR.—  
4       Effective for fiscal year 2007 and subsequent fiscal  
5       years, funds from a grant award made pursuant to  
6       subsection (a) or (b) for a fiscal year are available  
7       for obligation by the eligible area involved through  
8       the end of the one-year period beginning on the date  
9       in such fiscal year on which funds from the award  
10      first become available to the area (referred to in this  
11      subsection as the ‘grant year for the award’), except  
12      as provided in paragraph (3)(A).

13              “(2) SUPPLEMENTAL GRANTS; CANCELLATION  
14      OF UNOBLIGATED BALANCE OF GRANT AWARD.—Ef-  
15      fective for fiscal year 2007 and subsequent fiscal  
16      years, if a grant award made pursuant to subsection  
17      (b) for an eligible area for a fiscal year has an unob-  
18      ligated balance as of the end of the grant year for  
19      the award—

20              “(A) the Secretary shall cancel that unobli-  
21              gated balance of the award, and shall require  
22              the eligible area to return any amounts from  
23              such balance that have been disbursed to the  
24              area; and

1           “(B) the funds involved shall be made  
2           available by the Secretary as additional  
3           amounts for grants pursuant to subsection (b)  
4           for the first fiscal year beginning after the fis-  
5           cal year in which the Secretary obtains the in-  
6           formation necessary for determining that the  
7           balance is required under subparagraph (A) to  
8           be canceled, except that the availability of the  
9           funds for such grants is subject to subsection  
10          (a)(4) and section 2610(d)(2) as applied for  
11          such year.

12          “(3) FORMULA GRANTS; CANCELLATION OF UN-  
13          OBLIGATED BALANCE OF GRANT AWARD; WAIVER  
14          PERMITTING CARRYOVER.—

15               “(A) IN GENERAL.—Effective for fiscal  
16               year 2007 and subsequent fiscal years, if a  
17               grant award made pursuant to subsection (a)  
18               for an eligible area for a fiscal year has an un-  
19               obligated balance as of the end of the grant  
20               year for the award, the Secretary shall cancel  
21               that unobligated balance of the award, and  
22               shall require the eligible area to return any  
23               amounts from such balance that have been dis-  
24               bursed to the area, unless—

1 “(i) before the end of the grant year,  
2 the chief executive officer of the area sub-  
3 mits to the Secretary a written application  
4 for a waiver of the cancellation, which ap-  
5 plication includes a description of the pur-  
6 poses for which the area intends to expend  
7 the funds involved; and

8 “(ii) the Secretary approves the waiv-  
9 er.

10 “(B) EXPENDITURE BY END OF CARRY-  
11 OVER YEAR.—With respect to a waiver under  
12 subparagraph (A) that is approved for a bal-  
13 ance that is unobligated as of the end of a  
14 grant year for an award:

15 “(i) The unobligated funds are avail-  
16 able for expenditure by the eligible area in-  
17 volved for the one-year period beginning  
18 upon the expiration of the grant year (re-  
19 ferred to in this subsection as the ‘carry-  
20 over year’).

21 “(ii) If the funds are not expended by  
22 the end of the carryover year, the Sec-  
23 retary shall cancel that unexpended bal-  
24 ance of the award, and shall require the el-  
25 igible area to return any amounts from

1           such balance that have been disbursed to  
2           the area.

3           “(C) USE OF CANCELLED BALANCES.—In  
4           the case of any balance of a grant award that  
5           is cancelled under subparagraph (A) or (B)(ii),  
6           the grant funds involved shall be made available  
7           by the Secretary as additional amounts for  
8           grants pursuant to subsection (b) for the first  
9           fiscal year beginning after the fiscal year in  
10          which the Secretary obtains the information  
11          necessary for determining that the balance is  
12          required under such subparagraph to be can-  
13          celed, except that the availability of the funds  
14          for such grants is subject to subsection (a)(4)  
15          and section 2610(d)(2) as applied for such  
16          year.

17          “(D) CORRESPONDING REDUCTION IN FU-  
18          TURE GRANT.—

19                 “(i) IN GENERAL.—In the case of an  
20                 eligible area for which a balance from a  
21                 grant award under subsection (a) is unobli-  
22                 gated as of the end of the grant year for  
23                 the award—

24                         “(I) the Secretary shall reduce,  
25                         by the same amount as such unobli-



1           gated balance, the amount of the  
2           grant under such subsection for the  
3           first fiscal year beginning after the  
4           fiscal year in which the Secretary ob-  
5           tains the information necessary for  
6           determining that such balance was  
7           unobligated as of the end of the grant  
8           year (which requirement for a reduc-  
9           tion applies without regard to whether  
10          a waiver under subparagraph (A) has  
11          been approved with respect to such  
12          balance); and

13                 “(II) the grant funds involved in  
14                 such reduction shall be made available  
15                 by the Secretary as additional funds  
16                 for grants pursuant to subsection (b)  
17                 for such first fiscal year, subject to  
18                 subsection (a)(4) and section  
19                 2610(d)(2);

20           except that this clause does not apply to  
21           the eligible area if the amount of the unob-  
22           ligated balance was 2 percent or less.

23                 “(ii) RELATION TO INCREASES IN  
24                 GRANT.—A reduction under clause (i) for  
25                 an eligible area for a fiscal year may not

1                   be taken into account in applying sub-  
2                   section (a)(4) with respect to the area for  
3                   the subsequent fiscal year.”.

4   **SEC. 105. USE OF AMOUNTS.**

5           Section 2604 of the Public Health Service Act (42  
6   U.S.C. 300ff–14) is amended to read as follows:

7   **“SEC. 2604. USE OF AMOUNTS.**

8           “(a) REQUIREMENTS.—The Secretary may not make  
9   a grant under section 2601(a) to the chief elected official  
10  of an eligible area unless such political subdivision agrees  
11  that—

12           “(1) subject to paragraph (2), the allocation of  
13   funds and services within the eligible area will be  
14   made in accordance with the priorities established,  
15   pursuant to section 2602(b)(4)(C), by the HIV  
16   health services planning council that serves such eli-  
17   gible area;

18           “(2) funds provided under section 2601 will be  
19   expended only for—

20           “(A) core medical services described in  
21   subsection (c);

22           “(B) support services described in sub-  
23   section (d); and

24           “(C) administrative expenses described in  
25   subsection (h); and

1           “(3) the use of such funds will comply with the  
2           requirements of this section.

3           “(b) DIRECT FINANCIAL ASSISTANCE TO APPRO-  
4           PRIATE ENTITIES.—

5           “(1) IN GENERAL.—The chief elected official of  
6           an eligible area shall use amounts from a grant  
7           under section 2601 to provide direct financial assist-  
8           ance to entities described in paragraph (2) for the  
9           purpose of providing core medical services and sup-  
10          port services.

11          “(2) APPROPRIATE ENTITIES.—Direct financial  
12          assistance may be provided under paragraph (1) to  
13          public or nonprofit private entities, or private for-  
14          profit entities if such entities are the only available  
15          provider of quality HIV care in the area.

16          “(c) REQUIRED FUNDING FOR CORE MEDICAL SERV-  
17          ICES.—

18          “(1) IN GENERAL.—With respect to a grant  
19          under section 2601 for an eligible area for a grant  
20          year, the chief elected official of the area shall, of  
21          the portion of the grant remaining after reserving  
22          amounts for purposes of paragraphs (1) and  
23          (5)(B)(i) of subsection (h), use not less than 75 per-  
24          cent to provide core medical services that are needed  
25          in the eligible area for individuals with HIV/AIDS

1 who are identified and eligible under this title (in-  
2 cluding services regarding the co-occurring condi-  
3 tions of the individuals).

4 “(2) WAIVER.—

5 “(A) IN GENERAL.—The Secretary shall  
6 waive the application of paragraph (1) with re-  
7 spect to a chief elected official for a grant year  
8 if the Secretary determines that, within the eli-  
9 gible area involved—

10 “(i) there are no waiting lists for  
11 AIDS Drug Assistance Program services  
12 under section 2616; and

13 “(ii) core medical services are avail-  
14 able to all individuals with HIV/AIDS  
15 identified and eligible under this title.

16 “(B) NOTIFICATION OF WAIVER STATUS.—

17 When informing the chief elected official of an  
18 eligible area that a grant under section 2601 is  
19 being made for the area for a grant year, the  
20 Secretary shall inform the official whether a  
21 waiver under subparagraph (A) is in effect for  
22 such year.

23 “(3) CORE MEDICAL SERVICES.—For purposes  
24 of this subsection, the term ‘core medical services’,  
25 with respect to an individual with HIV/AIDS (in-

1 including the co-occurring conditions of the indi-  
2 vidual), means the following services:

3 “(A) Outpatient and ambulatory health  
4 services.

5 “(B) AIDS Drug Assistance Program  
6 treatments in accordance with section 2616.

7 “(C) AIDS pharmaceutical assistance.

8 “(D) Oral health care.

9 “(E) Early intervention services described  
10 in subsection (e).

11 “(F) Health insurance premium and cost  
12 sharing assistance for low-income individuals in  
13 accordance with section 2615.

14 “(G) Home health care.

15 “(H) Medical nutrition therapy.

16 “(I) Hospice services.

17 “(J) Home and community-based health  
18 services as defined under section 2614(c).

19 “(K) Mental health services.

20 “(L) Substance abuse outpatient care.

21 “(M) Medical case management, including  
22 treatment adherence services.

23 “(d) SUPPORT SERVICES.—

24 “(1) IN GENERAL.—For purposes of this sec-  
25 tion, the term ‘support services’ means services, sub-

1       ject to the approval of the Secretary, that are need-  
2       ed for individuals with HIV/AIDS to achieve their  
3       medical outcomes (such as respite care for persons  
4       caring for individuals with HIV/AIDS, outreach  
5       services, medical transportation, linguistic services,  
6       and referrals for health care and support services).

7           “(2) MEDICAL OUTCOMES.—In this subsection,  
8       the term ‘medical outcomes’ means those outcomes  
9       affecting the HIV-related clinical status of an indi-  
10      vidual with HIV/AIDS.

11      “(e) EARLY INTERVENTION SERVICES.—

12           “(1) IN GENERAL.—For purposes of this sec-  
13      tion, the term ‘early intervention services’ means  
14      HIV/AIDS early intervention services described in  
15      section 2651(e), with follow-up referral provided for  
16      the purpose of facilitating the access of individuals  
17      receiving the services to HIV-related health services.  
18      The entities through which such services may be  
19      provided under the grant include public health de-  
20      partments, emergency rooms, substance abuse and  
21      mental health treatment programs, detoxification  
22      centers, detention facilities, clinics regarding sexu-  
23      ally transmitted diseases, homeless shelters, HIV/  
24      AIDS counseling and testing sites, health care  
25      points of entry specified by eligible areas, federally

1 qualified health centers, and entities described in  
2 section 2652(a) that constitute a point of access to  
3 services by maintaining referral relationships.

4 “(2) CONDITIONS.—With respect to an entity  
5 that proposes to provide early intervention services  
6 under paragraph (1), such paragraph shall apply  
7 only if the entity demonstrates to the satisfaction of  
8 the chief elected official for the eligible area involved  
9 that—

10 “(A) Federal, State, or local funds are oth-  
11 erwise inadequate for the early intervention  
12 services the entity proposes to provide; and

13 “(B) the entity will expend funds pursuant  
14 to such paragraph to supplement and not sup-  
15 plant other funds available to the entity for the  
16 provision of early intervention services for the  
17 fiscal year involved.

18 “(f) PRIORITY FOR WOMEN, INFANTS, CHILDREN,  
19 AND YOUTH.—

20 “(1) IN GENERAL.—For the purpose of pro-  
21 viding health and support services to infants, chil-  
22 dren, youth, and women with HIV/AIDS, including  
23 treatment measures to prevent the perinatal trans-  
24 mission of HIV, the chief elected official of an eligi-  
25 ble area, in accordance with the established priorities

1 of the planning council, shall for each of such popu-  
2 lations in the eligible area use, from the grants made  
3 for the area under section 2601(a) for a fiscal year,  
4 not less than the percentage constituted by the ratio  
5 of the population involved (infants, children, youth,  
6 or women in such area) with HIV/AIDS to the gen-  
7 eral population in such area of individuals with HIV/  
8 AIDS.

9 “(2) WAIVER.—With respect to the population  
10 involved, the Secretary may provide to the chief  
11 elected official of an eligible area a waiver of the re-  
12 quirement of paragraph (1) if such official dem-  
13 onstrates to the satisfaction of the Secretary that  
14 the population is receiving HIV-related health serv-  
15 ices through the State medicaid program under title  
16 XIX of the Social Security Act, the State children’s  
17 health insurance program under title XXI of such  
18 Act, or other Federal or State programs.

19 “(g) REQUIREMENT OF STATUS AS MEDICAID PRO-  
20 VIDER.—

21 “(1) PROVISION OF SERVICE.—Subject to para-  
22 graph (2), the Secretary may not make a grant  
23 under section 2601(a) for the provision of services  
24 under this section in a State unless, in the case of  
25 any such service that is available pursuant to the



1 State plan approved under title XIX of the Social  
2 Security Act for the State—

3 “(A) the political subdivision involved will  
4 provide the service directly, and the political  
5 subdivision has entered into a participation  
6 agreement under the State plan and is qualified  
7 to receive payments under such plan; or

8 “(B) the political subdivision will enter  
9 into an agreement with a public or nonprofit  
10 private entity under which the entity will pro-  
11 vide the service, and the entity has entered into  
12 such a participation agreement and is qualified  
13 to receive such payments.

14 “(2) WAIVER.—

15 “(A) IN GENERAL.—In the case of an enti-  
16 ty making an agreement pursuant to paragraph  
17 (1)(B) regarding the provision of services, the  
18 requirement established in such paragraph shall  
19 be waived by the HIV health services planning  
20 council for the eligible area if the entity does  
21 not, in providing health care services, impose a  
22 charge or accept reimbursement available from  
23 any third-party payor, including reimbursement  
24 under any insurance policy or under any Fed-  
25 eral or State health benefits program.

1           “(B) DETERMINATION.—A determination  
2           by the HIV health services planning council of  
3           whether an entity referred to in subparagraph  
4           (A) meets the criteria for a waiver under such  
5           subparagraph shall be made without regard to  
6           whether the entity accepts voluntary donations  
7           for the purpose of providing services to the pub-  
8           lic.

9           “(h) ADMINISTRATION.—

10           “(1) LIMITATION.—The chief executive officer  
11           of an eligible area shall not use in excess of 10 per-  
12           cent of amounts received under a grant under this  
13           part for administrative expenses.

14           “(2) ALLOCATIONS BY CHIEF EXECUTIVE OFFI-  
15           CER.—In the case of entities and subcontractors to  
16           which the chief executive officer of an eligible area  
17           allocates amounts received by the officer under a  
18           grant under this part, the officer shall ensure that,  
19           of the aggregate amount so allocated, the total of  
20           the expenditures by such entities for administrative  
21           expenses does not exceed 10 percent (without regard  
22           to whether particular entities expend more than 10  
23           percent for such expenses).

1           “(3) ADMINISTRATIVE ACTIVITIES.—For pur-  
2       poses of paragraph (1), amounts may be used for  
3       administrative activities that include—

4           “(A) routine grant administration and  
5       monitoring activities, including the development  
6       of applications for part A funds, the receipt and  
7       disbursal of program funds, the development  
8       and establishment of reimbursement and ac-  
9       counting systems, the development of a clinical  
10      quality management program as described in  
11      paragraph (5), the preparation of routine pro-  
12      grammatic and financial reports, and compli-  
13      ance with grant conditions and audit require-  
14      ments; and

15          “(B) all activities associated with the  
16      grantee’s contract award procedures, including  
17      the activities carried out by the HIV health  
18      services planning council as established under  
19      section 2602(b), the development of requests  
20      for proposals, contract proposal review activi-  
21      ties, negotiation and awarding of contracts,  
22      monitoring of contracts through telephone con-  
23      sultation, written documentation or onsite vis-  
24      its, reporting on contracts, and funding re-  
25      allocation activities.

1           “(4) SUBCONTRACTOR ADMINISTRATIVE ACTIVITIES.—For the purposes of this subsection, subcontractor administrative activities include—

2                   “(A) usual and recognized overhead activities, including established indirect rates for

3                   agencies;

4                   “(B) management oversight of specific programs funded under this title; and

5                   “(C) other types of program support such

6                   as quality assurance, quality control, and related activities.

7           “(5) CLINICAL QUALITY MANAGEMENT.—

8                   “(A) REQUIREMENT.—The chief elected

9                   official of an eligible area that receives a grant

10                  under this part shall provide for the establishment of a clinical quality management program

11                  to assess the extent to which HIV health services provided to patients under the grant are

12                  consistent with the most recent Public Health Service guidelines for the treatment of HIV/

13                  AIDS and related opportunistic infection, and

14                  as applicable, to develop strategies for ensuring

15                  that such services are consistent with the guidelines for improvement in the access to and quality of HIV health services.

1 “(B) USE OF FUNDS.—

2 “(i) IN GENERAL.—From amounts re-  
3 ceived under a grant awarded under this  
4 subpart for a fiscal year, the chief elected  
5 official of an eligible area may use for ac-  
6 tivities associated with the clinical quality  
7 management program required in subpara-  
8 graph (A) not to exceed the lesser of—

9 “(I) 5 percent of amounts re-  
10 ceived under the grant; or

11 “(II) \$3,000,000.

12 “(ii) RELATION TO LIMITATION ON  
13 ADMINISTRATIVE EXPENSES.—The costs of  
14 a clinical quality management program  
15 under subparagraph (A) may not be con-  
16 sidered administrative expenses for pur-  
17 poses of the limitation established in para-  
18 graph (1).

19 “(i) CONSTRUCTION.—A chief elected official may  
20 not use amounts received under a grant awarded under  
21 this part to purchase or improve land, or to purchase, con-  
22 struct, or permanently improve (other than minor remod-  
23 eling) any building or other facility, or to make cash pay-  
24 ments to intended recipients of services.”.

1 **SEC. 106. ADDITIONAL AMENDMENTS TO PART A.**

2 (a) REPORTING OF CASES.—Section 2601(a) of the  
3 Public Health Service Act (42 U.S.C. 300ff–11(a)) is  
4 amended by striking “for the most recent period” and in-  
5 serting “during the most recent period”.

6 (b) PLANNING COUNCIL REPRESENTATION.—Section  
7 2602(b)(2)(G) of the Public Health Service Act (42  
8 U.S.C. 300ff–12(b)(2)(G)) is amended by inserting “,  
9 members of a Federally recognized Indian tribe as rep-  
10 resented in the population, individuals co-infected with  
11 hepatitis B or C” after “disease”.

12 (c) APPLICATION FOR GRANT.—

13 (1) PAYER OF LAST RESORT.—Section  
14 2605(a)(6)(A) of the Public Health Service Act (42  
15 U.S.C. 300ff–15(a)(6)(A)) is amended by inserting  
16 “(except for a program administered by or providing  
17 the services of the Indian Health Service)” before  
18 the semicolon.

19 (2) AUDITS.—Section 2605(a) of the Public  
20 Health Service Act (42 U.S.C. 300ff–15(a)) is  
21 amended—

22 (A) in paragraph (8), by striking “and” at  
23 the end;

24 (B) in paragraph (9), by striking the pe-  
25 riod and inserting “; and”; and

26 (C) by adding at the end the following:

1           “(10) that the chief elected official will submit  
2           to the lead State agency under section 2617(b)(4),  
3           audits, consistent with Office of Management and  
4           Budget circular A133, regarding funds expended in  
5           accordance with this part every 2 years and shall in-  
6           clude necessary client-based data to compile unmet  
7           need calculations and Statewide coordinated state-  
8           ments of need process.”.

9           (3) COORDINATION.—Section 2605(b) of the  
10          Public Health Service Act (42 U.S.C. 300ff–15(b))  
11          is amended—

12                   (A) in paragraph (3), by striking “and” at  
13                   the end;

14                   (B) in paragraph (4), by striking the pe-  
15                   riod and inserting a semicolon; and

16                   (C) by adding at the end the following:

17           “(5) the manner in which the expected expendi-  
18           tures are related to the planning process for States  
19           that receive funding under part B (including the  
20           planning process described in section 2617(b)); and

21           “(6) the expected expenditures and how those  
22           expenditures will improve overall client outcomes, as  
23           described under the State plan under section  
24           2617(b), and through additional outcomes measures

1 as identified by the HIV health services planning  
 2 council under section 2602(b).”.

3 **SEC. 107. NEW PROGRAM IN PART A; TRANSITIONAL**  
 4 **GRANTS FOR CERTAIN AREAS INELIGIBLE**  
 5 **UNDER SECTION 2601.**

6 (a) IN GENERAL.—Part A of title XXVI of the Public  
 7 Health Service Act (42 U.S.C. 300ff–11) is amended—

8 (1) by inserting after the part heading the fol-  
 9 lowing:

10 **“Subpart I—General Grant Provisions”;**

11 and

12 (2) by adding at the end the following:

13 **“Subpart II—Transitional Grants**

14 **“SEC. 2609. ESTABLISHMENT OF PROGRAM.**

15 “(a) IN GENERAL.—The Secretary, acting through  
 16 the Administrator of the Health Resources and Services  
 17 Administration, shall make grants for the purpose of pro-  
 18 viding services described in section 2604 in transitional  
 19 areas, subject to the same provisions regarding the alloca-  
 20 tion of grant funds as apply under subsection (c) of such  
 21 section.

22 “(b) TRANSITIONAL AREAS.—For purposes of this  
 23 section, the term ‘transitional area’ means, subject to sub-  
 24 section (c), a metropolitan area for which there has been  
 25 reported to and confirmed by the Director of the Centers



1 for Disease Control and Prevention a cumulative total of  
2 at least 1,000, but fewer than 2,000, cases of AIDS dur-  
3 ing the most recent period of 5 calendar years for which  
4 such data are available.

5 “(c) CERTAIN ELIGIBILITY RULES.—

6 “(1) FISCAL YEAR 2007.—With respect to  
7 grants under subsection (a) for fiscal year 2007, a  
8 metropolitan area that received funding under sub-  
9 part I for fiscal year 2006 but does not for fiscal  
10 year 2007 qualify under such subpart as an eligible  
11 area and does not qualify under subsection (b) as a  
12 transitional area shall, notwithstanding subsection  
13 (b), be considered a transitional area.

14 “(2) CONTINUED STATUS AS TRANSITIONAL  
15 AREA.—

16 “(A) IN GENERAL.—Notwithstanding sub-  
17 section (b), a metropolitan area that is a transi-  
18 tional area for a fiscal year continues, except as  
19 provided in subparagraph (B), to be a transi-  
20 tional area until the metropolitan area fails, for  
21 three consecutive fiscal years—

22 “(i) to qualify under such subsection  
23 as a transitional area; and

24 “(ii) to have a cumulative total of  
25 1,500 or more living cases of AIDS (re-

ported to and confirmed by the Director of the Centers for Disease Control and Prevention) as of December 31 of the most recent calendar year for which such data is available.

“(B) EXCEPTION REGARDING STATUS AS ELIGIBLE AREA.—Subparagraph (A) does not apply for a fiscal year if the metropolitan area involved qualifies under subpart I as an eligible area.

“(d) APPLICATION OF CERTAIN PROVISIONS OF SUBPART I.—

“(1) ADMINISTRATION; PLANNING COUNCIL.—

“(A) IN GENERAL.—The provisions of section 2602 apply with respect to a grant under subsection (a) for a transitional area to the same extent and in the same manner as such provisions apply with respect to a grant under subpart I for an eligible area, except that, subject to subparagraph (B), the chief elected official of the transitional area may elect not to comply with the provisions of section 2602(b) if the official provides documentation to the Secretary that details the process used to obtain community input (particularly from those with

1 HIV) in the transitional area for formulating  
2 the overall plan for priority setting and allo-  
3 cating funds from the grant under subsection  
4 (a).

5 “(B) EXCEPTION.—For each of the fiscal  
6 years 2007 through 2009, the exception de-  
7 scribed in subparagraph (A) does not apply if  
8 the transitional area involved received funding  
9 under subpart I for fiscal year 2006.

10 “(2) TYPE AND DISTRIBUTION OF GRANTS;  
11 TIMEFRAME FOR OBLIGATION AND EXPENDITURE OF  
12 GRANT FUNDS.—

13 “(A) FORMULA GRANTS; SUPPLEMENTAL  
14 GRANTS.—The provisions of section 2603 apply  
15 with respect to grants under subsection (a) to  
16 the same extent and in the same manner as  
17 such provisions apply with respect to grants  
18 under subpart I, subject to subparagraphs (B)  
19 and (C).

20 “(B) FORMULA GRANTS; INCREASE IN  
21 GRANT.—For purposes of subparagraph (A),  
22 section 2603(a)(4) does not apply.

23 “(C) SUPPLEMENTAL GRANTS; SINGLE  
24 PROGRAM WITH SUBPART I PROGRAM.—With

1           respect to section 2603(b) as applied for pur-  
2           poses of subparagraph (A):

3                   “(i) The Secretary shall combine  
4                   amounts available pursuant to such sub-  
5                   paragraph with amounts available for car-  
6                   rying out section 2603(b) and shall admin-  
7                   ister the two programs as a single pro-  
8                   gram.

9                   “(ii) In the single program, the Sec-  
10                  retary has discretion in allocating amounts  
11                  between eligible areas under subpart I and  
12                  transitional areas under this section, sub-  
13                  ject to the eligibility criteria that apply  
14                  under such section, and subject to section  
15                  2603(b)(2)(C) (relating to priority in mak-  
16                  ing grants).

17                  “(iii) Pursuant to section 2603(b)(1),  
18                  amounts for the single program are subject  
19                  to use under sections 2603(a)(4) and  
20                  2610(d)(1).

21           “(3) APPLICATION; TECHNICAL ASSISTANCE;  
22           DEFINITIONS.—The provisions of sections 2605,  
23           2606, and 2607 apply with respect to grants under  
24           subsection (a) to the same extent and in the same

1 manner as such provisions apply with respect to  
 2 grants under subpart I.”.

3 (b) CONFORMING AMENDMENTS.—Subpart I of part  
 4 A of title XXVI of the Public Health Service Act, as des-  
 5 ignated by subsection (a)(1) of this section, is amended  
 6 by striking “this part” each place such term appears and  
 7 inserting “this subpart”.

8 **SEC. 108. AUTHORIZATION OF APPROPRIATIONS FOR PART**  
 9 **A.**

10 Part A of title XXVI of the Public Health Service  
 11 Act, as amended by section 106(a), is amended by adding  
 12 at the end the following:

13 **“Subpart III—General Provisions**

14 **“SEC. 2610. AUTHORIZATION OF APPROPRIATIONS.**

15 “(a) IN GENERAL.—For the purpose of carrying out  
 16 this part, there are authorized to be appropriated  
 17 \$604,000,000 for fiscal year 2007, \$626,300,000 for fis-  
 18 cal year 2008, \$649,500,000 for fiscal year 2009,  
 19 \$673,600,000 for fiscal year 2010, and \$698,500,000 for  
 20 fiscal year 2011. Amounts appropriated under the pre-  
 21 ceding sentence for a fiscal year are available for obliga-  
 22 tion by the Secretary until the end of the second suc-  
 23 ceeding fiscal year.

24 “(b) RESERVATION OF AMOUNTS.—

1           “(1) FISCAL YEAR 2007.—Of the amount appro-  
2           priated under subsection (a) for fiscal year 2007,  
3           the Secretary shall reserve—

4                   “(A) \$458,310,000 for grants under sub-  
5                   part I; and

6                   “(B) \$145,690,000 for grants under sec-  
7                   tion 2609.

8           “(2) SUBSEQUENT FISCAL YEARS.—Of the  
9           amount appropriated under subsection (a) for fiscal  
10          year 2008 and each subsequent fiscal year—

11                   “(A) the Secretary shall reserve an amount  
12                   for grants under subpart I; and

13                   “(B) the Secretary shall reserve an amount  
14                   for grants under section 2609.

15          “(c) TRANSFER OF CERTAIN AMOUNTS; CHANGE IN  
16          STATUS AS ELIGIBLE AREA OR TRANSITIONAL AREA.—  
17          Notwithstanding subsection (b):

18                   “(1) If a metropolitan area is an eligible area  
19                   under subpart I for a fiscal year, but for a subse-  
20                   quent fiscal year ceases to be an eligible area by rea-  
21                   son of section 2601(b)—

22                           “(A)(i) the amount reserved under para-  
23                           graph (1)(A) or (2)(A) of subsection (b) of this  
24                           section for the first such subsequent year of not  
25                           being an eligible area is deemed to be reduced

1 by an amount equal to the amount of the grant  
2 made pursuant to section 2603(a) for the met-  
3 ropolitan area for the preceding fiscal year; and

4 “(ii)(I) if the metropolitan area qualifies  
5 for such first subsequent fiscal year as a transi-  
6 tional area under 2609, the amount reserved  
7 under paragraph (1)(B) or (2)(B) of subsection  
8 (b) for such fiscal year is deemed to be in-  
9 creased by an amount equal to the amount of  
10 the reduction under subparagraph (A) for such  
11 year; or

12 “(II) if the metropolitan area does not  
13 qualify for such first subsequent fiscal year as  
14 a transitional area under 2609, an amount  
15 equal to the amount of such reduction is, not-  
16 withstanding subsection (a), transferred and  
17 made available for grants pursuant to section  
18 2618(a)(1), in addition to amounts available for  
19 such grants under section 2623; and

20 “(B) if a transfer under subparagraph  
21 (A)(ii)(II) is made with respect to the metro-  
22 politan area for such first subsequent fiscal  
23 year, then—

24 “(i) the amount reserved under para-  
25 graph (1)(A) or (2)(A) of subsection (b) of

1           this section for such year is deemed to be  
2           reduced by an additional \$500,000; and

3           “(ii) an amount equal to the amount  
4           of such additional reduction is, notwith-  
5           standing subsection (a), transferred and  
6           made available for grants pursuant to sec-  
7           tion 2618(a)(1), in addition to amounts  
8           available for such grants under section  
9           2623.

10          “(2) If a metropolitan area is a transitional  
11          area under section 2609 for a fiscal year, but for a  
12          subsequent fiscal year ceases to be a transitional  
13          area by reason of section 2609(c)(2) (and does not  
14          qualify for such subsequent fiscal year as an eligible  
15          area under subpart I)—

16          “(A) the amount reserved under subsection  
17          (b)(2)(B) of this section for the first such sub-  
18          sequent fiscal year of not being a transitional  
19          area is deemed to be reduced by an amount  
20          equal to the total of—

21          “(i) the amount of the grant that,  
22          pursuant to section 2603(a), was made  
23          under section 2609(d)(2)(A) for the metro-  
24          politan area for the preceding fiscal year;  
25          and



1 “(ii) \$500,000; and

2 “(B) an amount equal to the amount of  
3 the reduction under subparagraph (A) for such  
4 year is, notwithstanding subsection (a), trans-  
5 ferred and made available for grants pursuant  
6 to section 2618(a)(1), in addition to amounts  
7 available for such grants under section 2623.

8 “(3) If a metropolitan area is a transitional  
9 area under section 2609 for a fiscal year, but for a  
10 subsequent fiscal year qualifies as an eligible area  
11 under subpart I—

12 “(A) the amount reserved under subsection  
13 (b)(2)(B) of this section for the first such sub-  
14 sequent fiscal year of becoming an eligible area  
15 is deemed to be reduced by an amount equal to  
16 the amount of the grant that, pursuant to sec-  
17 tion 2603(a), was made under section  
18 2609(d)(2)(A) for the metropolitan area for the  
19 preceding fiscal year; and

20 “(B) the amount reserved under subsection  
21 (b)(2)(A) for such fiscal year is deemed to be  
22 increased by an amount equal to the amount of  
23 the reduction under subparagraph (A) for such  
24 year.

1       “(d) CERTAIN TRANSFERS; ALLOCATIONS BETWEEN  
2 PROGRAMS UNDER SUBPART I.—With respect to para-  
3 graphs (1)(B)(i) and (2)(A)(ii) of subsection (c), the Sec-  
4 retary shall administer any reductions under such para-  
5 graphs for a fiscal year in accordance with the following:

6           “(1) The reductions shall be made from  
7 amounts available for the single program referred to  
8 in section 2609(d)(2)(C) (relating to supplemental  
9 grants).

10          “(2) The reductions shall be made before the  
11 amounts referred to in paragraph (1) are used for  
12 purposes of section 2603(a)(4).

13          “(3) If the amounts referred to in paragraph  
14 (1) are not sufficient for making all the reductions,  
15 the reductions shall be reduced until the total  
16 amount of the reductions equals the total of the  
17 amounts referred to in such paragraph.

18       “(e) RULES OF CONSTRUCTION REGARDING FIRST  
19 SUBSEQUENT FISCAL YEAR.—Paragraphs (1) and (2) of  
20 subsection (c) apply with respect to each series of fiscal  
21 years during which a metropolitan area is an eligible area  
22 under subpart I or a transitional area under section 2609  
23 for a fiscal year and then for a subsequent fiscal year  
24 ceases to be such an area by reason of section 2601(b)  
25 or 2609(c)(2), respectively, rather than applying to a sin-

1 gle such series. Paragraph (3) of subsection (c) applies  
 2 with respect to each series of fiscal years during which  
 3 a metropolitan area is a transitional area under section  
 4 2609 for a fiscal year and then for a subsequent fiscal  
 5 year becomes an eligible area under subpart I, rather than  
 6 applying to a single such series.”.

## 7 **TITLE II—CARE GRANTS**

### 8 **SEC. 201. GENERAL USE OF GRANTS.**

9 (a) IN GENERAL.—Section 2612 of the Public Health  
 10 Service Act (42 U.S.C. 300ff–22) is amended to read as  
 11 follows:

#### 12 **“SEC. 2612. GENERAL USE OF GRANTS.**

13 “(a) IN GENERAL.—A State may use amounts pro-  
 14 vided under grants made under section 2611 for—

15 “(1) core medical services described in sub-  
 16 section (b);

17 “(2) support services described in subsection  
 18 (c); and

19 “(3) administrative expenses described in sec-  
 20 tion 2618(b)(3).

21 “(b) REQUIRED FUNDING FOR CORE MEDICAL  
 22 SERVICES.—

23 “(1) IN GENERAL.—With respect to a grant  
 24 under section 2611 for a State for a grant year, the  
 25 State shall, of the portion of the grant remaining

1 after reserving amounts for purposes of subpara-  
2 graphs (A) and (E)(ii)(I) of section 2618(b)(3), use  
3 not less than 75 percent to provide core medical  
4 services that are needed in the State for individuals  
5 with HIV/AIDS who are identified and eligible  
6 under this title (including services regarding the co-  
7 occurring conditions of the individuals).

8 “(2) WAIVER.—

9 “(A) IN GENERAL.—The Secretary shall  
10 waive the application of paragraph (1) with re-  
11 spect to a State for a grant year if the Sec-  
12 retary determines that, within the State—

13 “(i) there are no waiting lists for  
14 AIDS Drug Assistance Program services  
15 under section 2616; and

16 “(ii) core medical services are avail-  
17 able to all individuals with HIV/AIDS  
18 identified and eligible under this title.

19 “(B) NOTIFICATION OF WAIVER STATUS.—

20 When informing a State that a grant under sec-  
21 tion 2611 is being made to the State for a fis-  
22 cal year, the Secretary shall inform the State  
23 whether a waiver under subparagraph (A) is in  
24 effect for the fiscal year.

1           “(3) CORE MEDICAL SERVICES.—For purposes  
2           of this subsection, the term ‘core medical services’,  
3           with respect to an individual infected with HIV/  
4           AIDS (including the co-occurring conditions of the  
5           individual) means the following services:

6                   “(A) Outpatient and ambulatory health  
7                   services.

8                   “(B) AIDS Drug Assistance Program  
9                   treatments in accordance with section 2616.

10                  “(C) AIDS pharmaceutical assistance.

11                  “(D) Oral health care.

12                  “(E) Early intervention services described  
13                  in subsection (d).

14                  “(F) Health insurance premium and cost  
15                  sharing assistance for low-income individuals in  
16                  accordance with section 2615.

17                  “(G) Home health care.

18                  “(H) Medical nutrition therapy.

19                  “(I) Hospice services.

20                  “(J) Home and community-based health  
21                  services as defined under section 2614(c).

22                  “(K) Mental health services.

23                  “(L) Substance abuse outpatient care.

24                  “(M) Medical case management, including  
25                  treatment adherence services.

1 “(c) SUPPORT SERVICES.—

2 “(1) IN GENERAL.—For purposes of this sub-  
3 section, the term ‘support services’ means services,  
4 subject to the approval of the Secretary, that are  
5 needed for individuals with HIV/AIDS to achieve  
6 their medical outcomes (such as respite care for per-  
7 sons caring for individuals with HIV/AIDS, outreach  
8 services, medical transportation, linguistic services,  
9 and referrals for health care and support services).

10 “(2) DEFINITION OF MEDICAL OUTCOMES.—In  
11 this subsection, the term ‘medical outcomes’ means  
12 those outcomes affecting the HIV-related clinical  
13 status of an individual with HIV/AIDS.

14 “(d) EARLY INTERVENTION SERVICES.—

15 “(1) IN GENERAL.—For purposes of this sec-  
16 tion, the term ‘early intervention services’ means  
17 HIV/AIDS early intervention services described in  
18 section 2651(e), with follow-up referral provided for  
19 the purpose of facilitating the access of individuals  
20 receiving the services to HIV-related health services.  
21 The entities through which such services may be  
22 provided under the grant include public health de-  
23 partments, emergency rooms, substance abuse and  
24 mental health treatment programs, detoxification  
25 centers, detention facilities, clinics regarding sexu-

1 ally transmitted diseases, homeless shelters, HIV/  
2 AIDS counseling and testing sites, health care  
3 points of entry specified by States, federally quali-  
4 fied health centers, and entities described in section  
5 2652(a) that constitute a point of access to services  
6 by maintaining referral relationships.

7 “(2) CONDITIONS.—With respect to an entity  
8 that proposes to provide early intervention services  
9 under paragraph (1), such paragraph shall apply  
10 only if the entity demonstrates to the satisfaction of  
11 the chief elected official for the State involved that—

12 “(A) Federal, State, or local funds are oth-  
13 erwise inadequate for the early intervention  
14 services the entity proposes to provide; and

15 “(B) the entity will expend funds pursuant  
16 to such subparagraph to supplement and not  
17 supplant other funds available to the entity for  
18 the provision of early intervention services for  
19 the fiscal year involved.

20 “(e) PRIORITY FOR WOMEN, INFANTS, CHILDREN,  
21 AND YOUTH.—

22 “(1) IN GENERAL.—For the purpose of pro-  
23 viding health and support services to infants, chil-  
24 dren, youth, and women with HIV/AIDS, including  
25 treatment measures to prevent the perinatal trans-

1 mission of HIV, a State shall for each of such popu-  
2 lations in the eligible area use, from the grants made  
3 for the area under section 2601(a) for a fiscal year,  
4 not less than the percentage constituted by the ratio  
5 of the population involved (infants, children, youth,  
6 or women in such area) with HIV/AIDS to the gen-  
7 eral population in such area of individuals with HIV/  
8 AIDS.

9 “(2) WAIVER.—With respect to the population  
10 involved, the Secretary may provide to a State a  
11 waiver of the requirement of paragraph (1) if such  
12 State demonstrates to the satisfaction of the Sec-  
13 retary that the population is receiving HIV-related  
14 health services through the State medicaid program  
15 under title XIX of the Social Security Act, the State  
16 children’s health insurance program under title XXI  
17 of such Act, or other Federal or State programs.

18 “(f) CONSTRUCTION.—A State may not use amounts  
19 received under a grant awarded under section 2611 to  
20 purchase or improve land, or to purchase, construct, or  
21 permanently improve (other than minor remodeling) any  
22 building or other facility, or to make cash payments to  
23 intended recipients of services.”.



1 (b) HIV CARE CONSORTIA.—Section 2613 of the  
2 Public Health Service Act (42 U.S.C. 300ff–23) is amend-  
3 ed—

4 (1) in subsection (a), in the matter preceding  
5 paragraph (1)—

6 (A) by striking “may use” and inserting  
7 “may, subject to subsection (f), use”; and

8 (B) by striking “section 2612(a)(1)” and  
9 inserting “section 2612(a)”; and

10 (2) by adding at the end the following sub-  
11 section:

12 “(f) ALLOCATION OF FUNDS; TREATMENT AS SUP-  
13 PORT SERVICES.—For purposes of the requirement of sec-  
14 tion 2612(b)(1), expenditures of grants under section  
15 2611 for or through consortia under this section are  
16 deemed to be support services, not core medical services.  
17 The preceding sentence may not be construed as having  
18 any legal effect on the provisions of subsection (a) that  
19 relate to authorized expenditures of the grant.”.

20 (c) TECHNICAL AMENDMENTS.—Part B of title  
21 XXVI of the Public Health Service Act (42 U.S.C. 300ff–  
22 21 et seq.) is amended—

23 (1) in section 2611—

24 (A) in subsection (a), by striking the sub-  
25 section designation and heading; and

1 (B) by striking subsection (b);

2 (2) in section 2614—

3 (A) in subsection (a), in the matter pre-  
 4 ceding paragraph (1), by striking “section  
 5 2612(a)(2)” and inserting “section  
 6 2612(b)(3)(J)”; and

7 (B) in subsection (c)(2)(B), by striking  
 8 “homemaker or”;

9 (3) in section 2615(a) by striking “section  
 10 2612(a)(3)” and inserting “2612(b)(3)(F)”; and

11 (4) in section 2616(a) by striking “section  
 12 2612(a)(5)” and inserting “2612(b)(3)(B)”.

13 **SEC. 202. AIDS DRUG ASSISTANCE PROGRAM.**

14 (a) REQUIREMENT OF MINIMUM DRUG LIST.—Sec-  
 15 tion 2616 of the Public Health Service Act (42 U.S.C.  
 16 300ff–26) is amended—

17 (1) in subsection (c), by striking paragraph (1)  
 18 and inserting the following:

19 “(1) ensure that the therapeutics included on  
 20 the list of classes of core antiretroviral therapeutics  
 21 established by the Secretary under subsection (e)  
 22 are, at a minimum, the treatments provided by the  
 23 State pursuant to this section;”;

24 (2) by redesignating subsection (e) as sub-  
 25 section (f); and

1           (3) by inserting after subsection (d) the fol-  
2       lowing:

3       “(e) LIST OF CLASSES OF CORE ANTIRETROVIRAL  
4 THERAPEUTICS.—For purposes of subsection (c)(1), the  
5 Secretary shall develop and maintain a list of classes of  
6 core antiretroviral therapeutics, which list shall be based  
7 on the therapeutics included in the guidelines of the Sec-  
8 retary known as the Clinical Practice Guidelines for Use  
9 of HIV/AIDS Drugs, relating to drugs needed to manage  
10 symptoms associated with HIV. The preceding sentence  
11 does not affect the authority of the Secretary to modify  
12 such Guidelines.”.

13       (b) DRUG REBATE PROGRAM.—Section 2616 of the  
14 Public Health Service Act, as amended by subsection  
15 (a)(2) of this section, is amended by adding at the end  
16 the following:

17       “(g) DRUG REBATE PROGRAM.—A State shall ensure  
18 that any drug rebates received on drugs purchased from  
19 funds provided pursuant to this section are applied to ac-  
20 tivities supported under this subpart, with priority given  
21 to activities described under this section.”.

22 **SEC. 203. DISTRIBUTION OF FUNDS.**

23       (a) DISTRIBUTION BASED ON LIVING CASES OF HIV/  
24 AIDS.—

(1) STATE DISTRIBUTION FACTOR.—Section 2618(a)(2) of the Public Health Service Act (42 U.S.C. 300ff–28(a)(2)) is amended—

(A) in subparagraph (B), by striking “estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved” and inserting “number of living cases of HIV/AIDS in the State involved”; and

(B) by amending subparagraph (D) to read as follows:

“(D) LIVING CASES OF HIV/AIDS.—

“(i) REQUIREMENT OF NAMES-BASED REPORTING.—Except as provided in clause (ii), the number determined under this subparagraph for a State for a fiscal year for purposes of subparagraph (B) is the number of living names-based cases of HIV/AIDS in the State that, as of December 31 of the most recent calendar year for which such data is available, have been reported to and confirmed by the Director of the Centers for Disease Control and Prevention.

“(ii) TRANSITION PERIOD; EXEMPTION REGARDING NON-AIDS CASES.—For

1 each of the fiscal years 2007 through  
2 2010, a State is, subject to clauses (iii)  
3 through (v), exempt from the requirement  
4 under clause (i) that living non-AIDS  
5 names-based cases of HIV be reported un-  
6 less—

7 “(I) a system was in operation as  
8 of December 31, 2005, that provides  
9 sufficiently accurate and reliable  
10 names-based reporting of such cases  
11 throughout the State, subject to  
12 clause (vii); or

13 “(II) no later than the beginning  
14 of fiscal year 2008, 2009, or 2010,  
15 the Secretary, after consultation with  
16 the chief executive of the State, deter-  
17 mines that a system has become oper-  
18 ational in the State that provides suf-  
19 ficiently accurate and reliable names-  
20 based reporting of such cases  
21 throughout the State.

22 “(iii) REQUIREMENTS FOR EXEMP-  
23 TION FOR FISCAL YEAR 2007.—For fiscal  
24 year 2007, an exemption under clause (ii)

1 for a State applies only if, by October 1,  
2 2006—

3 “(I)(aa) the State had submitted  
4 to the Secretary a plan for making  
5 the transition to sufficiently accurate  
6 and reliable names-based reporting of  
7 living non-AIDS cases of HIV; or

8 “(bb) all statutory changes nec-  
9 essary to provide for sufficiently accu-  
10 rate and reliable reporting of such  
11 cases had been made; and

12 “(II) the State had agreed that,  
13 by April 1, 2008, the State will begin  
14 accurate and reliable names-based re-  
15 porting of such cases, except that  
16 such agreement is not required to pro-  
17 vide that, as of such date, the system  
18 for such reporting be fully sufficient  
19 with respect to accuracy and reli-  
20 ability throughout the area.

21 “(iv) REQUIREMENT FOR EXEMPTION  
22 AS OF FISCAL YEAR 2008.—For each of the  
23 fiscal years 2008 through 2010, an exemp-  
24 tion under clause (ii) for a State applies  
25 only if, as of April 1, 2008, the State is

1 substantially in compliance with the agree-  
2 ment under clause (iii)(II).

3 “(v) PROGRESS TOWARD NAMES-  
4 BASED REPORTING.—For fiscal year 2009  
5 or 2010, the Secretary may terminate an  
6 exemption under clause (ii) for a State if  
7 the State submitted a plan under clause  
8 (iii)(I)(aa) and the Secretary determines  
9 that the State is not substantially following  
10 the plan.

11 “(vi) COUNTING OF CASES IN AREAS  
12 WITH EXEMPTIONS.—

13 “(I) IN GENERAL.—With respect  
14 to a State that is under a reporting  
15 system for living non-AIDS cases of  
16 HIV that is not names-based (referred  
17 to in this subparagraph as ‘code-based  
18 reporting’), the Secretary shall, for  
19 purposes of this subparagraph, modify  
20 the number of such cases reported for  
21 the State in order to adjust for dupli-  
22 cative reporting in and among systems  
23 that use code-based reporting.

24 “(II) ADJUSTMENT RATE.—The  
25 adjustment rate under subclause (I)

1 for a State shall be a reduction of 5  
2 percent in the number of living non-  
3 AIDS cases of HIV reported for the  
4 State.

5 “(vii) LIST OF STATES MEETING  
6 STANDARD REGARDING DECEMBER 31,  
7 2005.—

8 “(I) IN GENERAL.—If a State is  
9 specified in subclause (II), the State  
10 shall be considered to meet the stand-  
11 ard described in clause (ii)(I). No  
12 other State may be considered to meet  
13 such standard.

14 “(II) RELEVANT STATES.—For  
15 purposes of subclause (I), the States  
16 specified in this subclause are the fol-  
17 lowing: Alaska, Alabama, Arkansas,  
18 Arizona, Colorado, Florida, Indiana,  
19 Iowa, Idaho, Kansas, Louisiana,  
20 Michigan, Minnesota, Missouri, Mis-  
21 sissippi, North Carolina, North Da-  
22 kota, Nebraska, New Jersey, New  
23 Mexico, New York, Nevada, Ohio,  
24 Oklahoma, South Carolina, South Da-  
25 kota, Tennessee, Texas, Utah, Vir-



1           ginia, Wisconsin, West Virginia, Wyo-  
2           ming, Guam, and the Virgin Islands.

3           “(viii) RULES OF CONSTRUCTION RE-  
4           GARDING ACCEPTANCE OF REPORTS.—

5                   “(I) CASES OF AIDS.—With re-  
6                   spect to a State that is subject to the  
7                   requirement under clause (i) and is  
8                   not in compliance with the require-  
9                   ment for names-based reporting of liv-  
10                  ing non-AIDS cases of HIV, the Sec-  
11                  retary shall, notwithstanding such  
12                  noncompliance, accept reports of liv-  
13                  ing cases of AIDS that are in accord-  
14                  ance with such clause.

15                  “(II) APPLICABILITY OF EXEMP-  
16                  TION REQUIREMENTS.—The provi-  
17                  sions of clauses (ii) through (vii) may  
18                  not be construed as having any legal  
19                  effect for fiscal year 2011 or any sub-  
20                  sequent fiscal year, and accordingly,  
21                  the status of a State for purposes of  
22                  such clauses may not be considered  
23                  after fiscal year 2010.

24                  “(ix) PROGRAM FOR DETECTING INAC-  
25                  CULATE OR FRAUDULENT COUNTING.—

1           The Secretary shall carry out a program to  
2           monitor the reporting of names-based  
3           cases for purposes of this subparagraph  
4           and to detect instances of inaccurate re-  
5           porting, including fraudulent reporting.”.

6           (2) NON-EMA DISTRIBUTION FACTOR.—Section  
7           2618(a)(2)(C) of the Public Health Service Act (42  
8           U.S.C. 300ff–28(a)(2)(C)) is amended—

9           (A) in clause (i), by striking “estimated  
10          number of living cases of acquired immune defi-  
11          ciency syndrome” each place such term appears  
12          and inserting “number of living cases of HIV/  
13          AIDS”; and

14          (B) in clause (ii), by amending such clause  
15          to read as follows:

16                 “(ii) a number equal to the sum of—

17                         “(I) the total number of living  
18                         cases of HIV/AIDS that are within  
19                         areas in such State that are eligible  
20                         areas under subpart I of part A for  
21                         the fiscal year involved, which indi-  
22                         vidual number for an area is the num-  
23                         ber that applies under section 2601  
24                         for the area for such fiscal year; and

1 “(II) the total number of such  
 2 cases that are within areas in such  
 3 State that are transitional areas  
 4 under section 2609 for such fiscal  
 5 year, which individual number for an  
 6 area is the number that applies under  
 7 such section for the fiscal year.”.

8 (b) FORMULA AMENDMENTS GENERALLY.—Section  
 9 2618(a)(2) of the Public Health Service Act (42 U.S.C.  
 10 300ff–28(a)(2)) is amended—

11 (1) in subparagraph (A)—

12 (A) by striking “The amount referred to”  
 13 in the matter preceding clause (i) and all that  
 14 follows through the end of clause (i) and insert-  
 15 ing the following: “For purposes of paragraph  
 16 (1), the amount referred to in this paragraph  
 17 for a State (including a territory) for a fiscal  
 18 year is, subject to subparagraphs (E) and  
 19 (F)—

20 “(i) an amount equal to the amount  
 21 made available under section 2623 for the  
 22 fiscal year involved for grants pursuant to  
 23 paragraph (1), subject to subparagraph  
 24 (G); and”; and

25 (B) in clause (ii)—

1 (i) in subclause (I)—

2 (I) by striking “0.80” and insert-  
3 ing “0.75”; and

4 (II) by striking “and” at the end;

5 (ii) in subclause (II)—

6 (I) by inserting “non-EMA” after  
7 “respective”; and

8 (II) by striking the period and  
9 inserting “; and”; and

10 (iii) by adding at the end the fol-  
11 lowing:

12 “(III) if the State does not for  
13 such fiscal year contain any area that  
14 is an eligible area under subpart I of  
15 part A or any area that is a transi-  
16 tional area under section 2609 (re-  
17 ferred to in this subclause as a ‘no-  
18 EMA State’), the product of 0.05 and  
19 the ratio of the number of cases that  
20 applies for the State under subpara-  
21 graph (D) to the sum of the respective  
22 numbers of cases that so apply for all  
23 no-EMA States.”;

24 (2) by striking subparagraphs (E) through (H);

1           (3) by inserting after subparagraph (D) the fol-  
2       lowing subparagraphs:

3                   “(E) CODE-BASED STATES; LIMITATION ON  
4       INCREASE IN GRANT.—

5                   “(i) IN GENERAL.—For each of the  
6       fiscal years 2007 through 2010, if code-  
7       based reporting (within the meaning of  
8       subparagraph (D)(vi)) applies in a State as  
9       of the beginning of the fiscal year involved,  
10      then notwithstanding any other provision  
11      of this paragraph, the amount of the grant  
12      pursuant to paragraph (1) for the State  
13      may not for the fiscal year involved exceed  
14      by more than 5 percent the amount of the  
15      grant pursuant to this paragraph for the  
16      State for the preceding fiscal year, except  
17      that the limitation under this clause may  
18      not result in a grant pursuant to para-  
19      graph (1) for a fiscal year that is less than  
20      the minimum amount that applies to the  
21      State under such paragraph for such fiscal  
22      year.

23                   “(ii) USE OF AMOUNTS INVOLVED.—  
24      For each of the fiscal years 2007 through  
25      2010, amounts available as a result of the

1 limitation under clause (i) shall be made  
2 available by the Secretary as additional  
3 amounts for grants pursuant to section  
4 2620, subject to subparagraph (H).

5 “(F) SEVERITY OF NEED.—

6 “(i) FISCAL YEARS BEGINNING WITH  
7 2011.—If, by January 1, 2010, the Sec-  
8 retary notifies the appropriate committees  
9 of Congress that the Secretary has devel-  
10 oped a severity of need index in accordance  
11 with clause (v), the provisions of subpara-  
12 graphs (A) through (E) shall not apply for  
13 fiscal year 2011 or any fiscal year there-  
14 after, and the Secretary shall use the se-  
15 verity of need index (as defined in clause  
16 (iv)) for the determination of the formula  
17 allocations, subject to the Congressional  
18 Review Act.

19 “(ii) SUBSEQUENT FISCAL YEARS.—  
20 If, on or before any January 1 that is sub-  
21 sequent to the date referred to in clause  
22 (i), the Secretary notifies the appropriate  
23 committees of Congress that the Secretary  
24 has developed a severity of need index, in  
25 accordance with clause (v), for each suc-

1           ceeding fiscal year, the provisions of sub-  
2           paragraphs (A) through (D) shall not  
3           apply for the subsequent fiscal year or any  
4           fiscal year thereafter, and the Secretary  
5           shall use the severity of need index (as de-  
6           fined in clause (iv)) for the determination  
7           of the formula allocations, subject to the  
8           Congressional Review Act.

9           “(iii) FISCAL YEAR 2013.—The Sec-  
10          retary shall notify the appropriate commit-  
11          tees of Congress that the Secretary has de-  
12          veloped a severity of need index by Janu-  
13          ary 1, 2012, in accordance with clause (v),  
14          and the provisions of subparagraphs (A)  
15          through (D) shall not apply for fiscal year  
16          2013 or any fiscal year thereafter, and the  
17          Secretary shall use the severity of need  
18          index (as defined in clause (iv)) for the de-  
19          termination of the formula allocations, sub-  
20          ject to the Congressional Review Act.

21          “(iv) DEFINITION OF SEVERITY OF  
22          NEED INDEX.—In this subparagraph, the  
23          term ‘severity of need index’ means the  
24          index of the relative needs of individuals  
25          within the State, as identified by a variety

1 of different factors, and is a factor that is  
2 multiplied by the number of living HIV/  
3 AIDS cases in the State, providing dif-  
4 ferent weights to those cases based on  
5 their needs.

6 “(v) REQUIREMENTS FOR SECRE-  
7 TARIAL NOTIFICATION.—When the Sec-  
8 retary notifies the appropriate committees  
9 of Congress that the Secretary has devel-  
10 oped a severity of need index, the Sec-  
11 retary shall provide the following:

12 “(I) Methodology for and ration-  
13 ale behind developing the severity of  
14 need index, including information re-  
15 lated to the field testing of the sever-  
16 ity of need index.

17 “(II) An independent contractor  
18 analysis of activities carried out under  
19 subclause (I).

20 “(III) Expected changes in fund-  
21 ing allocations, given the application  
22 of the severity of need index and the  
23 elimination of the provisions of sub-  
24 paragraphs (A) through (D).



1                   “(IV) Information regarding the  
2                   process by which the Secretary re-  
3                   ceived community input regarding the  
4                   application and development of the se-  
5                   verity of need index.

6                   “(V) Timeline and process for  
7                   the implementation of the severity of  
8                   need index to ensure that it is applied  
9                   in the following fiscal year.

10                  “(vi) ANNUAL REPORTS.—Not later  
11                  than 1 year after the date of enactment of  
12                  the Ryan White HIV/AIDS Treatment  
13                  Modernization Act of 2006, and annually  
14                  thereafter until the Secretary notifies Con-  
15                  gress that the Secretary has developed a  
16                  severity of need index in accordance with  
17                  this subparagraph, the Secretary shall pre-  
18                  pare and submit to the appropriate com-  
19                  mittees of Congress a report—

20                         “(I) that updates progress to-  
21                         ward having client level data;

22                         “(II) that updates the progress  
23                         toward having a severity of need  
24                         index, including information related to

1 the methodology and process for ob-  
 2 taining community input; and

3 “(III) that, as applicable, states  
 4 whether the Secretary could develop a  
 5 severity of need index before fiscal  
 6 year 2010.”; and

7 (4) by redesignating subparagraph (I) as sub-  
 8 paragraph (G).

9 (c) SEPARATE ADAP GRANTS.—Section  
 10 2618(a)(2)(G) of the Public Health Service Act (42  
 11 U.S.C. 300ff–28(a)(2)(G)), as redesignated by subsection  
 12 (b)(4) of this section, is amended—

13 (1) in clause (i)—

14 (A) in the matter preceding subclause (I),  
 15 by striking “section 2677” and inserting “sec-  
 16 tion 2623”;

17 (B) in subclause (II), by striking the pe-  
 18 riod at the end and inserting a semicolon; and

19 (C) by adding after and below subclause  
 20 (II) the following:

21 “which product shall then, as applicable,  
 22 be increased under subparagraph (H).”;

23 (2) in clause (ii)—

24 (A) by striking subclauses (I) through (III)  
 25 and inserting the following:

1                   “(I)     IN       GENERAL.—From  
2                   amounts made available under sub-  
3                   clause (V), the Secretary shall award  
4                   supplemental grants to States de-  
5                   scribed in subclause (II) to enable  
6                   such States to purchase and distribute  
7                   to eligible individuals under section  
8                   2616(b) pharmaceutical therapeutics  
9                   described under subsections (c)(2) and  
10                  (e) of such section.

11                  “(II)   ELIGIBLE   STATES.—For  
12                  purposes of subclause (I), a State  
13                  shall be an eligible State if the State  
14                  did not have unobligated funds sub-  
15                  ject to reallocation under section  
16                  2618(d) in the previous fiscal year  
17                  and, in accordance with criteria estab-  
18                  lished by the Secretary, demonstrates  
19                  a severe need for a grant under this  
20                  clause. For purposes of determining  
21                  severe need, the Secretary shall con-  
22                  sider eligibility standards, formulary  
23                  composition, the number of eligible in-  
24                  dividuals to whom a State is unable to  
25                  provide therapeutics described in sec-

tion 2616(a), and an unanticipated increase of eligible individuals with HIV/AIDS.

“(III) STATE REQUIREMENTS.—

The Secretary may not make a grant to a State under this clause unless the State agrees that the State will make available (directly or through donations of public or private entities) non-Federal contributions toward the activities to be carried out under the grant in an amount equal to \$1 for each \$4 of Federal funds provided in the grant, except that the Secretary may waive this subclause if the State has otherwise fully complied with section 2617(d) with respect to the grant year involved. The provisions of this subclause shall apply to States that are not required to comply with such section 2617(d).”.

(B) in subclause (IV), by moving the subclause two ems to the left;

(C) in subclause (V), by striking “3 percent” and inserting “5 percent”; and

1 (D) by striking subclause (VI); and

2 (3) by adding at the end the following clause:

3 “(iii) CODE-BASED STATES; LIMITA-

4 TION ON INCREASE IN FORMULA GRANT.—

5 The limitation under subparagraph (E)(i)

6 applies to grants pursuant to clause (i) of

7 this subparagraph to the same extent and

8 in the same manner as such limitation ap-

9 plies to grants pursuant to paragraph (1),

10 except that the reference to minimum

11 grants does not apply for purposes of this

12 clause. Amounts available as a result of

13 the limitation under the preceding sentence

14 shall be made available by the Secretary as

15 additional amounts for grants under clause

16 (ii) of this subparagraph.”.

17 (d) HOLD HARMLESS.—Section 2618(a)(2) of the

18 Public Health Service Act (42 U.S.C. 300ff–28(a)(2)), as

19 amended by subsection (b)(4) of this section, is amended

20 by adding at the end the following subparagraph:

21 “(H) INCREASE IN FORMULA GRANTS.—

22 “(i) IN GENERAL.—For each of the

23 fiscal years 2007 through 2009, the Sec-

24 retary shall ensure, subject to clauses (ii)

25 through (iv), that the total for a State of

1 the grant pursuant to paragraph (1) and  
2 the grant pursuant to subparagraph (G) is  
3 not less than 95 percent of such total for  
4 the State for the preceding fiscal year, ex-  
5 cept that any increase under this clause—

6 “(I) may not result in a grant  
7 pursuant to paragraph (1) that is  
8 more than 95 percent of the amount  
9 of such grant for the preceding fiscal  
10 year; and

11 “(II) may not result in a grant  
12 pursuant to subparagraph (G) that is  
13 more than 95 percent of the amount  
14 of such grant for such preceding fiscal  
15 year.

16 “(ii) FISCAL YEAR 2007.—For pur-  
17 poses of clause (i) as applied for fiscal year  
18 2007, the references in such clause to sub-  
19 paragraph (G) are deemed to be references  
20 to subparagraph (I) as such subparagraph  
21 was in effect for fiscal year 2006.

22 “(iii) SOURCE OF FUNDS FOR IN-  
23 CREASE.—

24 “(I) IN GENERAL.—From the  
25 amount reserved under section

1 2623(b)(2) for a fiscal year, and from  
2 amounts available for such section  
3 pursuant to subsection (d) of this sec-  
4 tion, the Secretary shall make avail-  
5 able such amounts as may be nec-  
6 essary to comply with clause (i).

7 “(II) PRO RATA REDUCTION.—If  
8 the amounts referred to in subclause  
9 (I) for a fiscal year are insufficient to  
10 fully comply with clause (i) for the  
11 year, the Secretary, in order to pro-  
12 vide the additional funds necessary for  
13 such compliance, shall reduce on a pro  
14 rata basis the amount of each grant  
15 pursuant to paragraph (1) for the fis-  
16 cal year, other than grants for States  
17 for which increases under clause (i)  
18 apply and other than States described  
19 in paragraph (1)(A)(i)(I). A reduction  
20 under the preceding sentence may not  
21 be made in an amount that would re-  
22 sult in the State involved becoming el-  
23 igible for such an increase.

1                   “(iv) APPLICABILITY.—This para-  
 2                   graph may not be construed as having any  
 3                   applicability after fiscal year 2009.”.

4           (e) ADMINISTRATIVE EXPENSES; CLINICAL QUALITY  
 5 MANAGEMENT.—Section 2618(b) of the Public Health  
 6 Service Act (42 U.S.C. 300ff–28(b)) is amended—

7                   (1) by redesignating paragraphs (2) through  
 8                   (7) as paragraphs (1) through (6);

9                   (2) in paragraph (2) (as so redesignated)—

10                   (A) by striking “paragraph (5)” and in-  
 11                   serting “paragraph (4)”; and

12                   (B) by striking “paragraph (6)” and in-  
 13                   serting “paragraph (5)”;

14                   (3) in paragraph (3) (as so redesignated)—

15                   (A) by amending subparagraph (A) to read  
 16                   as follows:

17                   “(A) IN GENERAL.—Subject to paragraph  
 18                   (4,) and except as provided in paragraph (5), a  
 19                   State may not use more than 10 percent of  
 20                   amounts received under a grant awarded under  
 21                   section 2611 for administration.”;

22                   (B) by redesignating subparagraphs (B)  
 23                   and (C) as subparagraphs (C) and (D), respec-  
 24                   tively;



1 (C) by inserting after subparagraph (A)  
2 the following:

3 “(B) ALLOCATIONS.—In the case of enti-  
4 ties and subcontractors to which a State allo-  
5 cates amounts received by the State under a  
6 grant under section 2611, the State shall en-  
7 sure that, of the aggregate amount so allocated,  
8 the total of the expenditures by such entities for  
9 administrative expenses does not exceed 10 per-  
10 cent (without regard to whether particular enti-  
11 ties expend more than 10 percent for such ex-  
12 penses).”;

13 (D) in subparagraph (C) (as so redesign-  
14 nated), by inserting before the period the fol-  
15 lowing: “, including a clinical quality manage-  
16 ment program under subparagraph (E)”;

17 (E) by adding at the end the following:

18 “(E) CLINICAL QUALITY MANAGEMENT.—

19 “(i) REQUIREMENT.—Each State that  
20 receives a grant under section 2611 shall  
21 provide for the establishment of a clinical  
22 quality management program to assess the  
23 extent to which HIV health services pro-  
24 vided to patients under the grant are con-  
25 sistent with the most recent Public Health

1 Service guidelines for the treatment of  
2 HIV/AIDS and related opportunistic infec-  
3 tion, and as applicable, to develop strate-  
4 gies for ensuring that such services are  
5 consistent with the guidelines for improve-  
6 ment in the access to and quality of HIV  
7 health services.

8 “(ii) USE OF FUNDS.—

9 “(I) IN GENERAL.—From  
10 amounts received under a grant  
11 awarded under section 2611 for a fis-  
12 cal year, a State may use for activities  
13 associated with the clinical quality  
14 management program required in  
15 clause (i) not to exceed the lesser of—

16 “(aa) 5 percent of amounts  
17 received under the grant; or

18 “(bb) \$3,000,000.

19 “(II) RELATION TO LIMITATION  
20 ON ADMINISTRATIVE EXPENSES.—The  
21 costs of a clinical quality management  
22 program under clause (i) may not be  
23 considered administrative expenses for  
24 purposes of the limitation established  
25 in subparagraph (A).”;

1 (4) in paragraph (4) (as so redesignated)—

2 (A) by striking “paragraph (6)” and in-  
3 serting “paragraph (5)”; and

4 (B) by striking “paragraphs (3) and (4)”  
5 and inserting “paragraphs (2) and (3)”; and

6 (5) in paragraph (5) (as so redesignated), by  
7 striking “paragraph (3)” and all that follows  
8 through “(5),” and inserting the following: “para-  
9 graphs (2) and (3), may, notwithstanding para-  
10 graphs (2) through (4),”.

11 (f) REALLOCATION FOR SUPPLEMENTAL GRANTS.—

12 Section 2618(d) of the Public Health Service Act (42  
13 U.S.C. 300ff–28(d)) is amended to read as follows:

14 “(d) REALLOCATION.—Any portion of a grant made  
15 to a State under section 2611 for a fiscal year that has  
16 not been obligated as described in subsection (c) ceases  
17 to be available to the State and shall be made available  
18 by the Secretary for grants under section 2620, in addi-  
19 tion to amounts made available for such grants under sec-  
20 tion 2623(b)(2).”.

21 (g) DEFINITIONS; OTHER TECHNICAL AMEND-  
22 MENTS.—Section 2618(a) of the Public Health Service  
23 Act (42 U.S.C. 300ff–28(a)) is amended—

1           (1) in paragraph (1), in the matter preceding  
2           subparagraph (A), by striking “section 2677” and  
3           inserting “section 2623”;

4           (2) in paragraph (1)(A)—

5                 (A) in the matter preceding clause (i), by  
6                 striking “each of the several States and the  
7                 District of Columbia” and inserting “each of  
8                 the 50 States, the District of Columbia, Guam,  
9                 and the Virgin Islands (referred to in this para-  
10                graph as a ‘covered State’)”; and

11               (B) in clause (i)—

12                     (i) in subclause (I), by striking “State  
13                     or District” and inserting “covered State”;  
14                     and

15                     (ii) in subclause (II)—

16                         (I) by striking “State or Dis-  
17                         trict” and inserting “covered State”;  
18                         and

19                         (II) by inserting “and” after the  
20                         semicolon; and

21           (3) in paragraph (1)(B), by striking “each ter-  
22           ritory of the United States, as defined in paragraph  
23           (3),” and inserting “each territory other than Guam  
24           and the Virgin Islands”;

1 (4) in paragraph (2)(C)(i), by striking “or ter-  
 2 ritory”; and

3 (5) by striking paragraph (3).

4 **SEC. 204. ADDITIONAL AMENDMENTS TO SUBPART I OF**  
 5 **PART B.**

6 (a) REFERENCES TO PART B.—Subpart I of part B  
 7 of title XXVI of the Public Health Service Act (42 U.S.C.  
 8 300ff–21 et seq.) is amended by striking “this part” each  
 9 place such term appears and inserting “section 2611”.

10 (b) HEPATITIS.—Section 2614(a)(3) of the Public  
 11 Health Service Act (42 U.S.C. 300ff–24(a)(3)) is amend-  
 12 ed by inserting “, including specialty care and vaccinations  
 13 for hepatitis co-infection,” after “health services”.

14 (c) APPLICATION FOR GRANT.—

15 (1) COORDINATION.—Section 2617(b) of the  
 16 Public Health Service Act (42 U.S.C. 300ff–27(b))  
 17 is amended—

18 (A) by redesignating paragraphs (4)  
 19 through (6) as paragraphs (5) through (7), re-  
 20 spectively;

21 (B) by inserting after paragraph (3), the  
 22 following:

23 “(4) the designation of a lead State agency that  
 24 shall—

1           “(A) administer all assistance received  
2           under this part;

3           “(B) conduct the needs assessment and  
4           prepare the State plan under paragraph (3);

5           “(C) prepare all applications for assistance  
6           under this part;

7           “(D) receive notices with respect to pro-  
8           grams under this title;

9           “(E) every 2 years, collect and submit to  
10          the Secretary all audits, consistent with Office  
11          of Management and Budget circular A133,  
12          from grantees within the State, including audits  
13          regarding funds expended in accordance with  
14          this part; and

15          “(F) carry out any other duties determined  
16          appropriate by the Secretary to facilitate the  
17          coordination of programs under this title.”;

18          (C) in paragraph (5) (as so redesign-  
19          nated)—

20                 (i) in subparagraph (E), by striking  
21                 “and” at the end; and

22                 (ii) by inserting after subparagraph  
23                 (F) the following:

1 “(G) includes key outcomes to be measured  
 2 by all entities in the State receiving assistance  
 3 under this title; and”; and

4 (D) in paragraph (7) (as so redesignated),  
 5 in subparagraph (A)—

6 (i) by striking “paragraph (5)” and  
 7 inserting “paragraph (6)”; and

8 (ii) by striking “paragraph (4)” and  
 9 inserting “paragraph (5)”.

10 (2) NATIVE AMERICAN REPRESENTATION.—

11 Section 2617(b)(6) of the Public Health Service Act,  
 12 as redesignated by paragraph (1)(A) of this sub-  
 13 section, is amended by inserting before “representa-  
 14 tives of grantees” the following: “members of a Fed-  
 15 erally recognized Indian tribe as represented in the  
 16 State,”.

17 (3) PAYER OF LAST RESORT.—Section  
 18 2617(b)(7)(F)(ii) of the Public Health Service Act,  
 19 as redesignated by paragraph (1)(A) of this sub-  
 20 section, is amended by inserting before the semicolon  
 21 the following: “(except for a program administered  
 22 by or providing the services of the Indian Health  
 23 Service)”.

1 (d) MATCHING FUNDS; APPLICABILITY OF REQUIRE-  
2 MENT.—Section 2617(d)(3) of the Public Health Service  
3 Act (42 U.S.C. 300ff–27(d)(3)) is amended—

4 (1) in subparagraph (A), by striking “acquired  
5 immune deficiency syndrome” and inserting “HIV/  
6 AIDS”; and

7 (2) in subparagraph (C), by striking “acquired  
8 immune deficiency syndrome” and inserting “HIV/  
9 AIDS”.

10 **SEC. 205. SUPPLEMENTAL GRANTS ON BASIS OF DEM-**  
11 **ONSTRATED NEED.**

12 Subpart I of part B of title XXVI of the Public  
13 Health Service Act (42 U.S.C. 300ff–21 et seq.) is amend-  
14 ed—

15 (1) by redesignating section 2620 as section  
16 2621; and

17 (2) by inserting after section 2619 the fol-  
18 lowing:

19 **“SEC. 2620. SUPPLEMENTAL GRANTS.**

20 **“(a) IN GENERAL.—**For the purpose of providing  
21 services described in section 2612(a), the Secretary shall  
22 make grants to States—

23 **“(1)** whose applications under section 2617  
24 have demonstrated the need in the State, on an ob-



1 jective and quantified basis, for supplemental finan-  
2 cial assistance to provide such services; and

3 “(2) that did not, for the most recent grant  
4 year pursuant to section 2618(a)(1) or  
5 2618(a)(2)(G)(i) for which data is available, have  
6 more than 2 percent of grant funds under such sec-  
7 tions canceled or covered by any waivers under sec-  
8 tion 2622(c).

9 “(b) DEMONSTRATED NEED.—The factors consid-  
10 ered by the Secretary in determining whether an eligible  
11 area has a demonstrated need for purposes of subsection  
12 (a)(1) may include any or all of the following:

13 “(1) The unmet need for such services, as de-  
14 termined under section 2617(b).

15 “(2) An increasing need for HIV/AIDS-related  
16 services, including relative rates of increase in the  
17 number of cases of HIV/AIDS.

18 “(3) The relative rates of increase in the num-  
19 ber of cases of HIV/AIDS within new or emerging  
20 subpopulations.

21 “(4) The current prevalence of HIV/AIDS.

22 “(5) Relevant factors related to the cost and  
23 complexity of delivering health care to individuals  
24 with HIV/AIDS in the eligible area.

1           “(6) The impact of co-morbid factors, including  
2           co-occurring conditions, determined relevant by the  
3           Secretary.

4           “(7) The prevalence of homelessness.

5           “(8) The prevalence of individuals described  
6           under section 2602(b)(2)(M).

7           “(9) The relevant factors that limit access to  
8           health care, including geographic variation, adequacy  
9           of health insurance coverage, and language barriers.

10          “(10) The impact of a decline in the amount re-  
11          ceived pursuant to section 2618 on services available  
12          to all individuals with HIV/AIDS identified and eli-  
13          gible under this title.

14          “(c) PRIORITY IN MAKING GRANTS.—The Secretary  
15          shall provide funds under this section to a State to address  
16          the decline in services related to the decline in the amounts  
17          received pursuant to section 2618 consistent with the  
18          grant award to the State for fiscal year 2006, to the extent  
19          that the factor under subsection (b)(10) (relating to a de-  
20          cline in funding) applies to the State.

21          “(d) CORE MEDICAL SERVICES.—The provisions of  
22          section 2612(b) apply with respect to a grant under this  
23          section to the same extent and in the same manner as  
24          such provisions apply with respect to a grant made pursu-  
25          ant to section 2618(a)(1).

1       “(e) APPLICABILITY OF GRANT AUTHORITY.—The  
 2 authority to make grants under this section applies begin-  
 3 ning with the first fiscal year for which amounts are made  
 4 available for such grants under section 2623(b)(1).”.

5 **SEC. 206. EMERGING COMMUNITIES.**

6       Section 2621 of the Public Health Service Act, as re-  
 7 designated by section 205(1) of this Act, is amended—

8               (1) in the heading for the section, by striking  
 9       **“SUPPLEMENTAL GRANTS”** and inserting  
 10       **“EMERGING COMMUNITIES”**;

11              (2) in subsection (b)—

12                      (A) in paragraph (2), by striking “and” at  
 13       the end;

14                      (B) by redesignating paragraph (3) as  
 15       paragraph (4); and

16                      (C) by inserting after paragraph (2) the  
 17       following:

18               “(3) agree that the grant will be used to pro-  
 19       vide funds directly to emerging communities in the  
 20       State, separately from other funds under this title  
 21       that are provided by the State to such communities;  
 22       and”; and

23              (3) by striking subsections (d) and (e) and in-  
 24       serting the following:

1       “(d) DEFINITIONS OF EMERGING COMMUNITY.—For  
2 purposes of this section, the term ‘emerging community’  
3 means a metropolitan area (as defined in section 2607)  
4 for which there has been reported to and confirmed by  
5 the Director of the Centers for Disease Control and Pre-  
6 vention a cumulative total of at least 500, but fewer than  
7 1,000, cases of AIDS during the most recent period of  
8 5 calendar years for which such data are available.

9       “(e) CONTINUED STATUS AS EMERGING COMMU-  
10 NITY.—Notwithstanding any other provision of this sec-  
11 tion, a metropolitan area that is an emerging community  
12 for a fiscal year continues to be an emerging community  
13 until the metropolitan area fails, for three consecutive fis-  
14 cal years—

15               “(1) to meet the requirements of subsection (d);  
16       and

17               “(2) to have a cumulative total of 750 or more  
18 living cases of AIDS (reported to and confirmed by  
19 the Director of the Centers for Disease Control and  
20 Prevention) as of December 31 of the most recent  
21 calendar year for which such data is available.

22       “(f) DISTRIBUTION.—The amount of a grant under  
23 subsection (a) for a State for a fiscal year shall be an  
24 amount equal to the product of—

1 “(1) the amount available under section  
2 2623(b)(1) for the fiscal year; and

3 “(2) a percentage equal to the ratio constituted  
4 by the number of living cases of HIV/AIDS in  
5 emerging communities in the State to the sum of the  
6 respective numbers of such cases in such commu-  
7 nities for all States.”.

8 **SEC. 207. TIMEFRAME FOR OBLIGATION AND EXPENDI-**  
9 **TURE OF GRANT FUNDS.**

10 Subpart I of part B of title XXVI of the Public  
11 Health Service Act (42 U.S.C. 300ff–21 et seq.), as  
12 amended by section 205, is further amended by adding  
13 at the end the following:

14 **“SEC. 2622. TIMEFRAME FOR OBLIGATION AND EXPENDI-**  
15 **TURE OF GRANT FUNDS.**

16 “(a) OBLIGATION BY END OF GRANT YEAR.—Effec-  
17 tive for fiscal year 2007 and subsequent fiscal years, funds  
18 from a grant award made to a State for a fiscal year pur-  
19 suant to section 2618(a)(1) or 2618(a)(2)(G), or under  
20 section 2620 or 2621, are available for obligation by the  
21 State through the end of the one-year period beginning  
22 on the date in such fiscal year on which funds from the  
23 award first become available to the State (referred to in  
24 this section as the ‘grant year for the award’), except as  
25 provided in subsection (c)(1).

1       “(b) SUPPLEMENTAL GRANTS; CANCELLATION OF  
 2 UNOBLIGATED BALANCE OF GRANT AWARD.—Effective  
 3 for fiscal year 2007 and subsequent fiscal years, if a grant  
 4 award made to a State for a fiscal year pursuant to section  
 5 2618(a)(2)(G)(ii), or under section 2620 or 2621, has an  
 6 unobligated balance as of the end of the grant year for  
 7 the award—

8               “(1) the Secretary shall cancel that unobligated  
 9 balance of the award, and shall require the State to  
 10 return any amounts from such balance that have  
 11 been disbursed to the State; and

12               “(2) the funds involved shall be made available  
 13 by the Secretary as additional amounts for grants  
 14 pursuant to section 2620 for the first fiscal year be-  
 15 ginning after the fiscal year in which the Secretary  
 16 obtains the information necessary for determining  
 17 that the balance is required under paragraph (1) to  
 18 be canceled, except that the availability of the funds  
 19 for such grants is subject to section 2618(a)(2)(H)  
 20 as applied for such year.

21       “(c) FORMULA GRANTS; CANCELLATION OF UNOBLI-  
 22 GATED BALANCE OF GRANT AWARD; WAIVER PERMIT-  
 23 TING CARRYOVER.—

24               “(1) IN GENERAL.—Effective for fiscal year  
 25 2007 and subsequent fiscal years, if a grant award

1       made to a State for a fiscal year pursuant to section  
2       2618(a)(1) or 2618(a)(2)(G)(i) has an unobligated  
3       balance as of the end of the grant year for the  
4       award, the Secretary shall cancel that unobligated  
5       balance of the award, and shall require the State to  
6       return any amounts from such balance that have  
7       been disbursed to the State, unless—

8               “(A) before the end of the grant year, the  
9       State submits to the Secretary a written appli-  
10      cation for a waiver of the cancellation, which  
11      application includes a description of the pur-  
12      poses for which the State intends to expend the  
13      funds involved; and

14             “(B) the Secretary approves the waiver.

15             “(2) EXPENDITURE BY END OF CARRYOVER  
16      YEAR.—With respect to a waiver under paragraph  
17      (1) that is approved for a balance that is unobli-  
18      gated as of the end of a grant year for an award:

19             “(A) The unobligated funds are available  
20      for expenditure by the State involved for the  
21      one-year period beginning upon the expiration  
22      of the grant year (referred to in this section as  
23      the ‘carryover year’).

24             “(B) If the funds are not expended by the  
25      end of the carryover year, the Secretary shall

1           cancel that unexpended balance of the award,  
2           and shall require the State to return any  
3           amounts from such balance that have been dis-  
4           bursed to the State.

5           “(3) USE OF CANCELLED BALANCES.—In the  
6           case of any balance of a grant award that is can-  
7           celled under paragraph (1) or (2)(B), the grant  
8           funds involved shall be made available by the Sec-  
9           retary as additional amounts for grants under sec-  
10          tion 2620 for the first fiscal year beginning after the  
11          fiscal year in which the Secretary obtains the infor-  
12          mation necessary for determining that the balance is  
13          required under such paragraph to be canceled, ex-  
14          cept that the availability of the funds for such  
15          grants is subject to section 2618(a)(2)(H) as applied  
16          for such year.

17          “(4) CORRESPONDING REDUCTION IN FUTURE  
18          GRANT.—

19                 “(A) IN GENERAL.—In the case of a State  
20                 for which a balance from a grant award made  
21                 pursuant to section 2618(a)(1) or  
22                 2618(a)(2)(G)(i) is unobligated as of the end of  
23                 the grant year for the award—

24                         “(i) the Secretary shall reduce, by the  
25                         same amount as such unobligated balance,



1 the amount of the grant under such sec-  
2 tion for the first fiscal year beginning after  
3 the fiscal year in which the Secretary ob-  
4 tains the information necessary for deter-  
5 mining that such balance was unobligated  
6 as of the end of the grant year (which re-  
7 quirement for a reduction applies without  
8 regard to whether a waiver under para-  
9 graph (1) has been approved with respect  
10 to such balance); and

11 “(ii) the grant funds involved in such  
12 reduction shall be made available by the  
13 Secretary as additional funds for grants  
14 under section 2620 for such first fiscal  
15 year, subject to section 2618(a)(2)(H);

16 except that this subparagraph does not apply to  
17 the State if the amount of the unobligated bal-  
18 ance was 2 percent or less.

19 “(B) RELATION TO INCREASES IN  
20 GRANT.—A reduction under subparagraph (A)  
21 for a State for a fiscal year may not be taken  
22 into account in applying section 2618(a)(2)(H)  
23 with respect to the State for the subsequent fis-  
24 cal year.

1       “(d) TREATMENT OF DRUG REBATES.—For pur-  
 2 poses of this section, funds that are drug rebates referred  
 3 to in section 2616(g) may not be considered part of any  
 4 grant award referred to in subsection (a).”.

5   **SEC. 208. AUTHORIZATION OF APPROPRIATIONS FOR SUB-**  
 6                   **PART I OF PART B.**

7       Subpart I of part B of title XXVI of the Public  
 8 Health Service Act (42 U.S.C. 300ff–21 et seq.), as  
 9 amended by section 207, is further amended by adding  
 10 at the end the following:

11   **“SEC. 2623. AUTHORIZATION OF APPROPRIATIONS.**

12       “(a) IN GENERAL.—For the purpose of carrying out  
 13 this subpart, there are authorized to be appropriated  
 14 \$1,195,500,000 for fiscal year 2007, \$1,239,500,000 for  
 15 fiscal year 2008, \$1,285,200,000 for fiscal year 2009,  
 16 \$1,332,600,000 for fiscal year 2010, and \$1,381,700,000  
 17 for fiscal year 2011. Amounts appropriated under the pre-  
 18 ceding sentence for a fiscal year are available for obliga-  
 19 tion by the Secretary until the end of the second suc-  
 20 ceeding fiscal year.

21       “(b) RESERVATION OF AMOUNTS.—

22               “(1) EMERGING COMMUNITIES.—Of the amount  
 23 appropriated under subsection (a) for a fiscal year,  
 24 the Secretary shall reserve \$5,000,000 for grants  
 25 under section 2621.

1 “(2) SUPPLEMENTAL GRANTS.—

2 “(A) IN GENERAL.—Of the amount appro-  
3 priated under subsection (a) for a fiscal year in  
4 excess of the 2006 adjusted amount, the Sec-  
5 retary shall reserve  $\frac{1}{3}$  for grants under section  
6 2620, except that the availability of the re-  
7 served funds for such grants is subject to sec-  
8 tion 2618(a)(2)(H) as applied for such year,  
9 and except that any amount appropriated exclu-  
10 sively for carrying out section 2616 (and, ac-  
11 cordingly, distributed under section  
12 2618(a)(2)(G)) is not subject to this subpara-  
13 graph.

14 “(B) 2006 ADJUSTED AMOUNT.—For pur-  
15 poses of subparagraph (A), the term ‘2006 ad-  
16 justed amount’ means the amount appropriated  
17 for fiscal year 2006 under section 2677(b) (as  
18 such section was in effect for such fiscal year),  
19 excluding any amount appropriated for such  
20 year exclusively for carrying out section 2616  
21 (and, accordingly, distributed under section  
22 2618(a)(2)(I), as so in effect).”.

23 **SEC. 209. EARLY DIAGNOSIS GRANT PROGRAM.**

24 Section 2625 of the Public Health Service Act (42  
25 U.S.C. 300ff–33) is amended to read as follows:

1   **“SEC. 2625. EARLY DIAGNOSIS GRANT PROGRAM.**

2           “(a) IN GENERAL.—In the case of States whose laws  
3 or regulations are in accordance with subsection (b), the  
4 Secretary, acting through the Centers for Disease Control  
5 and Prevention, shall make grants to such States for the  
6 purposes described in subsection (c).

7           “(b) DESCRIPTION OF COMPLIANT STATES.—For  
8 purposes of subsection (a), the laws or regulations of a  
9 State are in accordance with this subsection if, under such  
10 laws or regulations (including programs carried out pursu-  
11 ant to the discretion of State officials), both of the policies  
12 described in paragraph (1) are in effect, or both of the  
13 policies described in paragraph (2) are in effect, as follows:

14               “(1)(A) Voluntary opt-out testing of pregnant  
15 women.

16               “(B) Universal testing of newborns.

17               “(2)(A) Voluntary opt-out testing of clients at  
18 sexually transmitted disease clinics.

19               “(B) Voluntary opt-out testing of clients at sub-  
20 stance abuse treatment centers.

21 The Secretary shall periodically ensure that the applicable  
22 policies are being carried out and recertify compliance.

23           “(c) USE OF FUNDS.—A State may use funds pro-  
24 vided under subsection (a) for HIV/AIDS testing (includ-  
25 ing rapid testing), prevention counseling, treatment of  
26 newborns exposed to HIV/AIDS, treatment of mothers in-

1 fected with HIV/AIDS, and costs associated with linking  
2 those diagnosed with HIV/AIDS to care and treatment for  
3 HIV/AIDS.

4 “(d) APPLICATION.—A State that is eligible for the  
5 grant under subsection (a) shall submit an application to  
6 the Secretary, in such form, in such manner, and con-  
7 taining such information as the Secretary may require.

8 “(e) LIMITATION ON AMOUNT OF GRANT.—A grant  
9 under subsection (a) to a State for a fiscal year may not  
10 be made in an amount exceeding \$10,000,000.

11 “(f) RULE OF CONSTRUCTION.—Nothing in this sec-  
12 tion shall be construed to pre-empt State laws regarding  
13 HIV/AIDS counseling and testing.

14 “(g) DEFINITIONS.—In this section:

15 “(1) The term ‘voluntary opt-out testing’ means  
16 HIV/AIDS testing—

17 “(A) that is administered to an individual  
18 seeking other health care services; and

19 “(B) in which—

20 “(i) pre-test counseling is not required  
21 but the individual is informed that the in-  
22 dividual will receive an HIV/AIDS test and  
23 the individual may opt out of such testing;  
24 and

1                   “(ii) for those individuals with a posi-  
2                   tive test result, post-test counseling (in-  
3                   cluding referrals for care) is provided and  
4                   confidentiality is protected.

5                   “(2) The term ‘universal testing of newborns’  
6                   means HIV/AIDS testing that is administered with-  
7                   in 48 hours of delivery to—

8                   “(A) all infants born in the State; or

9                   “(B) all infants born in the State whose  
10                  mother’s HIV/AIDS status is unknown at the  
11                  time of delivery.

12                  “(h) AUTHORIZATION OF APPROPRIATIONS.—Of the  
13 funds appropriated annually to the Centers for Disease  
14 Control and Prevention for HIV/AIDS prevention activi-  
15 ties, \$30,000,000 shall be made available for each of the  
16 fiscal years 2007 through 2011 for grants under sub-  
17 section (a), of which \$20,000,000 shall be made available  
18 for grants to States with the policies described in sub-  
19 section (b)(1), and \$10,000,000 shall be made available  
20 for grants to States with the policies described in sub-  
21 section (b)(2). Funds provided under this section are  
22 available until expended.”.

1 **SEC. 210. CERTAIN PARTNER NOTIFICATION PROGRAMS;**  
2 **AUTHORIZATION OF APPROPRIATIONS.**

3 Section 2631(d) of the Public Health Service Act (42  
4 U.S.C. 300ff–38(d)) is amended by striking “there are”  
5 and all that follows and inserting the following: “there is  
6 authorized to be appropriated \$10,000,000 for each of the  
7 fiscal years 2007 through 2011.”.

8 **TITLE III—EARLY**  
9 **INTERVENTION SERVICES**

10 **SEC. 301. ESTABLISHMENT OF PROGRAM; CORE MEDICAL**  
11 **SERVICES.**

12 (a) IN GENERAL.—Section 2651 of the Public Health  
13 Service Act (42 U.S.C. 300ff–51) is amended to read as  
14 follows:

15 **“SEC. 2651. ESTABLISHMENT OF A PROGRAM.**

16 “(a) IN GENERAL.—For the purposes described in  
17 subsection (b), the Secretary, acting through the Adminis-  
18 trator of the Health Resources and Services Administra-  
19 tion, may make grants to public and nonprofit private en-  
20 tities specified in section 2652(a).

21 “(b) REQUIREMENTS.—

22 “(1) IN GENERAL.—The Secretary may not  
23 make a grant under subsection (a) unless the appli-  
24 cant for the grant agrees to expend the grant only  
25 for—

1           “(A) core medical services described in  
2           subsection (c);

3           “(B) support services described in sub-  
4           section (d); and

5           “(C) administrative expenses as described  
6           in section 2664(g)(3).

7           “(2) EARLY INTERVENTION SERVICES.—An ap-  
8           plicant for a grant under subsection (a) shall expend  
9           not less than 50 percent of the amount received  
10          under the grant for the services described in sub-  
11          paragraphs (B) through (E) of subsection (e)(1) for  
12          individuals with HIV/AIDS.

13          “(c) REQUIRED FUNDING FOR CORE MEDICAL SERV-  
14          ICES.—

15               “(1) IN GENERAL.—With respect to a grant  
16               under subsection (a) to an applicant for a fiscal  
17               year, the applicant shall, of the portion of the grant  
18               remaining after reserving amounts for purposes of  
19               paragraphs (3) and (5) of section 2664(g), use not  
20               less than 75 percent to provide core medical services  
21               that are needed in the area involved for individuals  
22               with HIV/AIDS who are identified and eligible  
23               under this title (including services regarding the co-  
24               occurring conditions of the individuals).

25               “(2) WAIVER.—



1           “(A) The Secretary shall waive the applica-  
2           tion of paragraph (1) with respect to an appli-  
3           cant for a grant if the Secretary determines  
4           that, within the service area of the applicant—

5                   “(i) there are no waiting lists for  
6                   AIDS Drug Assistance Program services  
7                   under section 2616; and

8                   “(ii) core medical services are avail-  
9                   able to all individuals with HIV/AIDS  
10                  identified and eligible under this title.

11           “(B) NOTIFICATION OF WAIVER STATUS.—  
12           When informing an applicant that a grant  
13           under subsection (a) is being made for a fiscal  
14           year, the Secretary shall inform the applicant  
15           whether a waiver under subparagraph (A) is in  
16           effect for the fiscal year.

17           “(3) CORE MEDICAL SERVICES.—For purposes  
18           of this subsection, the term ‘core medical services’,  
19           with respect to an individual with HIV/AIDS (in-  
20           cluding the co-occurring conditions of the individual)  
21           means the following services:

22                   “(A) Outpatient and ambulatory health  
23                   services.

24                   “(B) AIDS Drug Assistance Program  
25                   treatments under section 2616.

1 “(C) AIDS pharmaceutical assistance.

2 “(D) Oral health care.

3 “(E) Early intervention services described  
4 in subsection (e).

5 “(F) Health insurance premium and cost  
6 sharing assistance for low-income individuals in  
7 accordance with section 2615.

8 “(G) Home health care.

9 “(H) Medical nutrition therapy.

10 “(I) Hospice services.

11 “(J) Home and community-based health  
12 services as defined under section 2614(c).

13 “(K) Mental health services.

14 “(L) Substance abuse outpatient care.

15 “(M) Medical case management, including  
16 treatment adherence services.

17 “(d) SUPPORT SERVICES.—

18 “(1) IN GENERAL.—For purposes of this sec-  
19 tion, the term ‘support services’ means services, sub-  
20 ject to the approval of the Secretary, that are need-  
21 ed for individuals with HIV/AIDS to achieve their  
22 medical outcomes (such as respite care for persons  
23 caring for individuals with HIV/AIDS, outreach  
24 services, medical transportation, linguistic services,  
25 and referrals for health care and support services).

1           “(2) DEFINITION OF MEDICAL OUTCOMES.—In  
2           this section, the term ‘medical outcomes’ means  
3           those outcomes affecting the HIV-related clinical  
4           status of an individual with HIV/AIDS.

5           “(e) SPECIFICATION OF EARLY INTERVENTION  
6 SERVICES.—

7           “(1) IN GENERAL.—The early intervention serv-  
8           ices referred to in this section are—

9                   “(A) counseling individuals with respect to  
10                  HIV/AIDS in accordance with section 2662;

11                  “(B) testing individuals with respect to  
12                  HIV/AIDS, including tests to confirm the pres-  
13                  ence of the disease, tests to diagnose the extent  
14                  of the deficiency in the immune system, and  
15                  tests to provide information on appropriate  
16                  therapeutic measures for preventing and treat-  
17                  ing the deterioration of the immune system and  
18                  for preventing and treating conditions arising  
19                  from HIV/AIDS;

20                  “(C) referrals described in paragraph (2);

21                  “(D) other clinical and diagnostic services  
22                  regarding HIV/AIDS, and periodic medical  
23                  evaluations of individuals with HIV/AIDS; and

24                  “(E) providing the therapeutic measures  
25                  described in subparagraph (B).

1           “(2) REFERRALS.—The services referred to in  
2       paragraph (1)(C) are referrals of individuals with  
3       HIV/AIDS to appropriate providers of health and  
4       support services, including, as appropriate—

5           “(A) to entities receiving amounts under  
6       part A or B for the provision of such services;

7           “(B) to biomedical research facilities of in-  
8       stitutions of higher education that offer experi-  
9       mental treatment for such disease, or to com-  
10      munity-based organizations or other entities  
11      that provide such treatment; or

12          “(C) to grantees under section 2671, in  
13      the case of a pregnant woman.

14          “(3) REQUIREMENT OF AVAILABILITY OF ALL  
15      EARLY INTERVENTION SERVICES THROUGH EACH  
16      GRANTEE.—

17          “(A) IN GENERAL.—The Secretary may  
18      not make a grant under subsection (a) unless  
19      the applicant for the grant agrees that each of  
20      the early intervention services specified in para-  
21      graph (2) will be available through the grantee.  
22      With respect to compliance with such agree-  
23      ment, such a grantee may expend the grant to  
24      provide the early intervention services directly,  
25      and may expend the grant to enter into agree-

1           ments with public or nonprofit private entities,  
2           or private for-profit entities if such entities are  
3           the only available provider of quality HIV care  
4           in the area, under which the entities provide the  
5           services.

6           “(B) OTHER REQUIREMENTS.—Grantees  
7           described in—

8                   “(i) subparagraphs (A), (D), (E), and  
9                   (F) of section 2652(a)(1) shall use not less  
10                  than 50 percent of the amount of such a  
11                  grant to provide the services described in  
12                  subparagraphs (A), (B), (D), and (E) of  
13                  paragraph (1) directly and on-site or at  
14                  sites where other primary care services are  
15                  rendered; and

16                  “(ii) subparagraphs (B) and (C) of  
17                  section 2652(a)(1) shall ensure the avail-  
18                  ability of early intervention services  
19                  through a system of linkages to commu-  
20                  nity-based primary care providers, and to  
21                  establish mechanisms for the referrals de-  
22                  scribed in paragraph (1)(C), and for fol-  
23                  low-up concerning such referrals.”.

1 (b) ADMINISTRATIVE EXPENSES; CLINICAL QUALITY  
2 MANAGEMENT PROGRAM.—Section 2664(g) of the Public  
3 Health Service Act (42 U.S.C. 300ff–64(g)) is amended—

4 (1) in paragraph (3), by amending the para-  
5 graph to read as follows:

6 “(3) the applicant will not expend more than 10  
7 percent of the grant for administrative expenses with  
8 respect to the grant, including planning and evalua-  
9 tion, except that the costs of a clinical quality man-  
10 agement program under paragraph (5) may not be  
11 considered administrative expenses for purposes of  
12 such limitation;” and

13 (2) in paragraph (5), by inserting “clinical” be-  
14 fore “quality management”.

15 **SEC. 302. ELIGIBLE ENTITIES; PREFERENCES; PLANNING**  
16 **AND DEVELOPMENT GRANTS.**

17 (a) MINIMUM QUALIFICATION OF GRANTEES.—Sec-  
18 tion 2652(a) of the Public Health Service Act (42 U.S.C.  
19 300ff–52(a)) is amended to read as follows:

20 “(a) ELIGIBLE ENTITIES.—

21 “(1) IN GENERAL.—The entities referred to in  
22 section 2651(a) are public entities and nonprofit pri-  
23 vate entities that are—

1           “(A) federally-qualified health centers  
2           under section 1905(l)(2)(B) of the Social Secu-  
3           rity Act;

4           “(B) grantees under section 1001 (regard-  
5           ing family planning) other than States;

6           “(C) comprehensive hemophilia diagnostic  
7           and treatment centers;

8           “(D) rural health clinics;

9           “(E) health facilities operated by or pursu-  
10          ant to a contract with the Indian Health Serv-  
11          ice;

12          “(F) community-based organizations, clin-  
13          ics, hospitals and other health facilities that  
14          provide early intervention services to those per-  
15          sons infected with HIV/AIDS through intra-  
16          venous drug use; or

17          “(G) nonprofit private entities that provide  
18          comprehensive primary care services to popu-  
19          lations at risk of HIV/AIDS, including faith-  
20          based and community-based organizations.

21          “(2) UNDERSERVED POPULATIONS.—Entities  
22          described in paragraph (1) shall serve underserved  
23          populations which may include minority populations  
24          and Native American populations, ex-offenders, indi-  
25          viduals with comorbidities including hepatitis B or

1 C, mental illness, or substance abuse, low-income  
2 populations, inner city populations, and rural popu-  
3 lations.”.

4 (b) PREFERENCES IN MAKING GRANTS.—Section  
5 2653 of the Public Health Service Act (42 U.S.C. 300ff–  
6 53) is amended—

7 (1) in subsection (b)(1)—

8 (A) in subparagraph (A), by striking “ac-  
9 quired immune deficiency syndrome” and in-  
10 serting “HIV/AIDS”; and

11 (B) in subparagraph (D), by inserting be-  
12 fore the semicolon the following: “and the num-  
13 ber of cases of individuals co-infected with HIV/  
14 AIDS and hepatitis B or C”; and

15 (2) in subsection (d)(2), by striking “special  
16 consideration” and inserting “preference”.

17 (c) PLANNING AND DEVELOPMENT GRANTS.—Sec-  
18 tion 2654(c) of the Public Health Service Act (42 U.S.C.  
19 300ff–54(c)) is amended—

20 (1) in paragraph (1)—

21 (A) in subparagraph (A), by striking  
22 “HIV”; and

23 (B) in subparagraph (B), by striking  
24 “HIV” and inserting “HIV/AIDS”; and



1           (2) in paragraph (3), by striking “or under-  
2       served communities” and inserting “areas or to un-  
3       derserved populations”.

4   **SEC. 303. AUTHORIZATION OF APPROPRIATIONS.**

5       Section 2655 of the Public Health Service Act (42  
6   U.S.C. 300ff–55) is amended by striking “such sums” and  
7   all that follows through “2005” and inserting “,  
8   \$218,600,000 for fiscal year 2007, \$226,700,000 for fis-  
9   cal year 2008, \$235,100,000 for fiscal year 2009,  
10  \$243,800,000 for fiscal year 2010, and \$252,800,000 for  
11  fiscal year 2011”.

12   **SEC. 304. CONFIDENTIALITY AND INFORMED CONSENT.**

13       Section 2661 of the Public Health Service Act (42  
14  U.S.C. 300ff–61) is amended to read as follows:

15   **“SEC. 2661. CONFIDENTIALITY AND INFORMED CONSENT.**

16       “(a) CONFIDENTIALITY.—The Secretary may not  
17   make a grant under this part unless, in the case of any  
18   entity applying for a grant under section 2651, the entity  
19   agrees to ensure that information regarding the receipt  
20   of early intervention services pursuant to the grant is  
21   maintained confidentially in a manner not inconsistent  
22   with applicable law.

23       “(b) INFORMED CONSENT.—The Secretary may not  
24   make a grant under this part unless the applicant for the  
25   grant agrees that, in testing an individual for HIV/AIDS,

1 the applicant will test an individual only after the indi-  
2 vidual confirms that the decision of the individual with re-  
3 spect to undergoing such testing is voluntarily made.”.

4 **SEC. 305. PROVISION OF CERTAIN COUNSELING SERVICES.**

5 Section 2662 of the Public Health Service Act (42  
6 U.S.C. 300ff–62) is amended to read as follows:

7 **“SEC. 2662. PROVISION OF CERTAIN COUNSELING SERV-**  
8 **ICES.**

9 “(a) COUNSELING OF INDIVIDUALS WITH NEGATIVE  
10 TEST RESULTS.—The Secretary may not make a grant  
11 under this part unless the applicant for the grant agrees  
12 that, if the results of testing conducted for HIV/AIDS in-  
13 dicate that an individual does not have such condition, the  
14 applicant will provide the individual information, includ-  
15 ing—

16 “(1) measures for prevention of, exposure to,  
17 and transmission of HIV/AIDS, hepatitis B, hepa-  
18 titis C, and other sexually transmitted diseases;

19 “(2) the accuracy and reliability of results of  
20 testing for HIV/AIDS, hepatitis B, and hepatitis C;

21 “(3) the significance of the results of such test-  
22 ing, including the potential for developing AIDS,  
23 hepatitis B, or hepatitis C;

1           “(4) the appropriateness of further counseling,  
2           testing, and education of the individual regarding  
3           HIV/AIDS and other sexually transmitted diseases;

4           “(5) if diagnosed with chronic hepatitis B or  
5           hepatitis C co-infection, the potential of developing  
6           hepatitis-related liver disease and its impact on HIV/  
7           AIDS; and

8           “(6) information regarding the availability of  
9           hepatitis B vaccine and information about hepatitis  
10          treatments.

11          “(b) COUNSELING OF INDIVIDUALS WITH POSITIVE  
12          TEST RESULTS.—The Secretary may not make a grant  
13          under this part unless the applicant for the grant agrees  
14          that, if the results of testing for HIV/AIDS indicate that  
15          the individual has such condition, the applicant will pro-  
16          vide to the individual appropriate counseling regarding the  
17          condition, including—

18                 “(1) information regarding—

19                         “(A) measures for prevention of, exposure  
20                         to, and transmission of HIV/AIDS, hepatitis B,  
21                         and hepatitis C;

22                         “(B) the accuracy and reliability of results  
23                         of testing for HIV/AIDS, hepatitis B, and hep-  
24                         atitis C; and

1           “(C) the significance of the results of such  
2           testing, including the potential for developing  
3           AIDS, hepatitis B, or hepatitis C;

4           “(2) reviewing the appropriateness of further  
5           counseling, testing, and education of the individual  
6           regarding HIV/AIDS and other sexually transmitted  
7           diseases; and

8           “(3) providing counseling—

9           “(A) on the availability, through the appli-  
10          cant, of early intervention services;

11          “(B) on the availability in the geographic  
12          area of appropriate health care, mental health  
13          care, and social and support services, including  
14          providing referrals for such services, as appro-  
15          priate;

16          “(C)(i) that explains the benefits of locat-  
17          ing and counseling any individual by whom the  
18          infected individual may have been exposed to  
19          HIV/AIDS, hepatitis B, or hepatitis C and any  
20          individual whom the infected individual may  
21          have exposed to HIV/AIDS, hepatitis B, or hep-  
22          atitis C; and

23          “(ii) that emphasizes it is the duty of in-  
24          fected individuals to disclose their infected sta-  
25          tus to their sexual partners and their partners

1 in the sharing of hypodermic needles; that pro-  
2 vides advice to infected individuals on the man-  
3 ner in which such disclosures can be made; and  
4 that emphasizes that it is the continuing duty  
5 of the individuals to avoid any behaviors that  
6 will expose others to HIV/AIDS, hepatitis B, or  
7 hepatitis C; and

8 “(D) on the availability of the services of  
9 public health authorities with respect to locat-  
10 ing and counseling any individual described in  
11 subparagraph (C);

12 “(4) if diagnosed with chronic hepatitis B or  
13 hepatitis C co-infection, the potential of developing  
14 hepatitis-related liver disease and its impact on HIV/  
15 AIDS; and

16 “(5) information regarding the availability of  
17 hepatitis B vaccine.

18 “(c) ADDITIONAL REQUIREMENTS REGARDING AP-  
19 PROPRIATE COUNSELING.—The Secretary may not make  
20 a grant under this part unless the applicant for the grant  
21 agrees that, in counseling individuals with respect to HIV/  
22 AIDS, the applicant will ensure that the counseling is pro-  
23 vided under conditions appropriate to the needs of the in-  
24 dividuals.

1       “(d) COUNSELING OF EMERGENCY RESPONSE EM-  
2 PLOYEES.—The Secretary may not make a grant under  
3 this part to a State unless the State agrees that, in coun-  
4 seling individuals with respect to HIV/AIDS, the State will  
5 ensure that, in the case of emergency response employees,  
6 the counseling is provided to such employees under condi-  
7 tions appropriate to the needs of the employees regarding  
8 the counseling.

9       “(e) RULE OF CONSTRUCTION REGARDING COUN-  
10 SELING WITHOUT TESTING.—Agreements made pursuant  
11 to this section may not be construed to prohibit any grant-  
12 ee under this part from expending the grant for the pur-  
13 pose of providing counseling services described in this sec-  
14 tion to an individual who does not undergo testing for  
15 HIV/AIDS as a result of the grantee or the individual de-  
16 termining that such testing of the individual is not appro-  
17 priate.”.

18 **SEC. 306. GENERAL PROVISIONS.**

19       (a) APPLICABILITY OF CERTAIN REQUIREMENTS.—  
20 Section 2663 of the Public Health Service Act (42 U.S.C.  
21 300ff–63) is amended by striking “will, without” and all  
22 that follows through “be carried” and inserting “with  
23 funds appropriated through this Act will be carried”.

1 (b) ADDITIONAL REQUIRED AGREEMENTS.—Section  
2 2664(a) of the Public Health Service Act (42 U.S.C.  
3 300ff–64(a)) is amended—

4 (1) in paragraph (1)—

5 (A) in subparagraph (A), by striking  
6 “and” at the end;

7 (B) in subparagraph (B), by striking  
8 “and” at the end; and

9 (C) by adding at the end the following:

10 “(C) information regarding how the ex-  
11 pected expenditures of the grant are related to  
12 the planning process for localities funded under  
13 part A (including the planning process de-  
14 scribed in section 2602) and for States funded  
15 under part B (including the planning process  
16 described in section 2617(b)); and

17 “(D) a specification of the expected ex-  
18 penditures and how those expenditures will im-  
19 prove overall client outcomes, as described in  
20 the State plan under section 2617(b);”;

21 (2) in paragraph (2), by striking the period and  
22 inserting a semicolon; and

23 (3) by adding at the end the following:

24 “(3) the applicant agrees to provide additional  
25 documentation to the Secretary regarding the proc-

1       ess used to obtain community input into the design  
 2       and implementation of activities related to such  
 3       grant; and

4               “(4) the applicant agrees to submit, every 2  
 5       years, to the lead State agency under section  
 6       2617(b)(4) audits, consistent with Office of Manage-  
 7       ment and Budget circular A133, regarding funds ex-  
 8       pended in accordance with this title and shall in-  
 9       clude necessary client level data to complete unmet  
 10       need calculations and Statewide coordinated state-  
 11       ments of need process.”.

12       (c) PAYER OF LAST RESORT.—Section 2664(f)(1)(A)  
 13 of the Public Health Service Act (42 U.S.C. 300ff–  
 14 64(f)(1)(A)) is amended by inserting “(except for a pro-  
 15 gram administered by or providing the services of the In-  
 16 dian Health Service)” before the semicolon.

## 17       **TITLE IV—WOMEN, INFANTS,** 18       **CHILDREN, AND YOUTH**

### 19       **SEC. 401. WOMEN, INFANTS, CHILDREN, AND YOUTH.**

20       Part D of title XXVI of the Public Health Service  
 21 Act (42 U.S.C. 300ff–71 et seq.) is amended to read as  
 22 follows:



“(b) ADDITIONAL SERVICES FOR PATIENTS AND FAMILIES.—Funds provided under grants awarded under subsection (a) may be used for the following support services:

21 “(2) Referrals for additional services includ-  
22 ing—

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1                   “(B) referrals for other social and support  
2                   services, as appropriate.

3                   “(3) Additional services necessary to enable the  
4                   patient and the family to participate in the program  
5                   established by the applicant pursuant to such sub-  
6                   section including services designed to recruit and re-  
7                   tain youth with HIV.

8                   “(4) The provision of information and edu-  
9                   cation on opportunities to participate in HIV/AIDS-  
10                  related clinical research.

11                  “(c) COORDINATION WITH OTHER ENTITIES.—A  
12                  grant awarded under subsection (a) may be made only if  
13                  the applicant provides an agreement that includes the fol-  
14                  lowing:

15                  “(1) The applicant will coordinate activities  
16                  under the grant with other providers of health care  
17                  services under this Act, and under title V of the So-  
18                  cial Security Act, including programs promoting the  
19                  reduction and elimination of risk of HIV/AIDS for  
20                  youth.

21                  “(2) The applicant will participate in the state-  
22                  wide coordinated statement of need under part B  
23                  (where it has been initiated by the public health  
24                  agency responsible for administering grants under  
25                  part B) and in revisions of such statement.

1           “(3) The applicant will every 2 years submit to  
2           the lead State agency under section 2617(b)(4) au-  
3           dits regarding funds expended in accordance with  
4           this title and shall include necessary client-level data  
5           to complete unmet need calculations and Statewide  
6           coordinated statements of need process.

7           “(d) ADMINISTRATION; APPLICATION.—A grant may  
8           only be awarded to an entity under subsection (a) if an  
9           application for the grant is submitted to the Secretary and  
10          the application is in such form, is made in such manner,  
11          and contains such agreements, assurances, and informa-  
12          tion as the Secretary determines to be necessary to carry  
13          out this section. Such application shall include the fol-  
14          lowing:

15               “(1) Information regarding how the expected  
16               expenditures of the grant are related to the planning  
17               process for localities funded under part A (including  
18               the planning process outlined in section 2602) and  
19               for States funded under part B (including the plan-  
20               ning process outlined in section 2617(b)).

21               “(2) A specification of the expected expendi-  
22               tures and how those expenditures will improve over-  
23               all patient outcomes, as outlined as part of the State  
24               plan (under section 2617(b)) or through additional  
25               outcome measures.

1       “(e) ANNUAL REVIEW OF PROGRAMS; EVALUA-  
2 TIONS.—

3               “(1) REVIEW REGARDING ACCESS TO AND PAR-  
4 TICIPATION IN PROGRAMS.—With respect to a grant  
5 under subsection (a) for an entity for a fiscal year,  
6 the Secretary shall, not later than 180 days after  
7 the end of the fiscal year, provide for the conduct  
8 and completion of a review of the operation during  
9 the year of the program carried out under such sub-  
10 section by the entity. The purpose of such review  
11 shall be the development of recommendations, as ap-  
12 propriate, for improvements in the following:

13               “(A) Procedures used by the entity to allo-  
14 cate opportunities and services under subsection  
15 (a) among patients of the entity who are  
16 women, infants, children, or youth.

17               “(B) Other procedures or policies of the  
18 entity regarding the participation of such indi-  
19 viduals in such program.

20               “(2) EVALUATIONS.—The Secretary shall, di-  
21 rectly or through contracts with public and private  
22 entities, provide for evaluations of programs carried  
23 out pursuant to subsection (a).

24       “(f) ADMINISTRATIVE EXPENSES.—

1           “(1) LIMITATION.—A grantee may not use  
2           more than 10 percent of amounts received under a  
3           grant awarded under this section for administrative  
4           expenses.

5           “(2) CLINICAL QUALITY MANAGEMENT PRO-  
6           GRAM.—A grantee under this section shall imple-  
7           ment a clinical quality management program to as-  
8           sess the extent to which HIV health services pro-  
9           vided to patients under the grant are consistent with  
10          the most recent Public Health Service guidelines for  
11          the treatment of HIV/AIDS and related opportu-  
12          nistic infection, and as applicable, to develop strate-  
13          gies for ensuring that such services are consistent  
14          with the guidelines for improvement in the access to  
15          and quality of HIV health services.

16          “(g) TRAINING AND TECHNICAL ASSISTANCE.—  
17          From the amounts appropriated under subsection (i) for  
18          a fiscal year, the Secretary may use not more than 5 per-  
19          cent to provide, directly or through contracts with public  
20          and private entities (which may include grantees under  
21          subsection (a)), training and technical assistance to assist  
22          applicants and grantees under subsection (a) in complying  
23          with the requirements of this section.

24          “(h) DEFINITIONS.—In this section:

1           “(1) ADMINISTRATIVE EXPENSES.—The term  
2           ‘administrative expenses’ means funds that are to be  
3           used by grantees for grant management and moni-  
4           toring activities, including costs related to any staff  
5           or activity unrelated to services or indirect costs.

6           “(2) INDIRECT COSTS.—The term ‘indirect  
7           costs’ means costs included in a Federally negotiated  
8           indirect rate.

9           “(3) SERVICES.—The term ‘services’ means—

10                   “(A) services that are provided to clients to  
11                   meet the goals and objectives of the program  
12                   under this section, including the provision of  
13                   professional, diagnostic, and therapeutic serv-  
14                   ices by a primary care provider or a referral to  
15                   and provision of specialty care; and

16                   “(B) services that sustain program activity  
17                   and contribute to or help improve services  
18                   under subparagraph (A).

19           “(i) AUTHORIZATION OF APPROPRIATIONS.—For the  
20           purpose of carrying out this section, there are authorized  
21           to be appropriated, \$71,800,000 for each of the fiscal  
22           years 2007 through 2011.”.

23   **SEC. 402. GAO REPORT.**

24           Not later than 24 months after the date of enactment  
25           of this Act, the Comptroller General of the Government

1 Accountability Office shall conduct an evaluation, and sub-  
2 mit to Congress a report, concerning the funding provided  
3 for under part D of title XXVI of the Public Health Serv-  
4 ice Act to determine—

5           (1) how funds are used to provide the adminis-  
6 trative expenses, indirect costs, and services, as de-  
7 fined in section 2671(h) of such title, for individuals  
8 with HIV/AIDS;

9           (2) how funds are used to provide the adminis-  
10 trative expenses, indirect costs, and services, as de-  
11 fined in section 2671(h) of such title, to family  
12 members of women, infants, children, and youth in-  
13 fected with HIV/AIDS;

14           (3) how funds are used to provide family-cen-  
15 tered care involving outpatient or ambulatory care  
16 authorized under section 2671(a) of such title;

17           (4) how funds are used to provide additional  
18 services authorized under section 2671(b) of such  
19 title; and

20           (5) how funds are used to help identify HIV-  
21 positive pregnant women and their children who are  
22 exposed to HIV and connect them with care that can  
23 improve their health and prevent perinatal trans-  
24 mission.

# 1 **TITLE V—GENERAL PROVISIONS**

## 2 **SEC. 501. GENERAL PROVISIONS.**

3 Part E of title XXVI of the Public Health Service  
4 Act (42 U.S.C. 300ff–80 et seq.) is amended to read as  
5 follows:

### 6 **“PART E—GENERAL PROVISIONS**

#### 7 **“SEC. 2681. COORDINATION.**

8 “(a) REQUIREMENT.—The Secretary shall ensure  
9 that the Health Resources and Services Administration,  
10 the Centers for Disease Control and Prevention, the Sub-  
11 stance Abuse and Mental Health Services Administration,  
12 and the Centers for Medicare & Medicaid Services coordi-  
13 nate the planning, funding, and implementation of Federal  
14 HIV programs (including all minority AIDS initiatives of  
15 the Public Health Service, including under section 2693)  
16 to enhance the continuity of care and prevention services  
17 for individuals with HIV/AIDS or those at risk of such  
18 disease. The Secretary shall consult with other Federal  
19 agencies, including the Department of Veterans Affairs,  
20 as needed and utilize planning information submitted to  
21 such agencies by the States and entities eligible for assist-  
22 ance under this title.

23 “(b) REPORT.—The Secretary shall biennially pre-  
24 pare and submit to the appropriate committees of the Con-  
25 gress a report concerning the coordination efforts at the



1 Federal, State, and local levels described in this section,  
2 including a description of Federal barriers to HIV pro-  
3 gram integration and a strategy for eliminating such bar-  
4 riers and enhancing the continuity of care and prevention  
5 services for individuals with HIV/AIDS or those at risk  
6 of such disease.

7 “(c) INTEGRATION BY STATE.—As a condition of re-  
8 ceipt of funds under this title, a State shall provide assur-  
9 ances to the Secretary that health support services funded  
10 under this title will be integrated with other such services,  
11 that programs will be coordinated with other available pro-  
12 grams (including Medicaid), and that the continuity of  
13 care and prevention services of individuals with HIV/AIDS  
14 is enhanced.

15 “(d) INTEGRATION BY LOCAL OR PRIVATE ENTI-  
16 TIES.—As a condition of receipt of funds under this title,  
17 a local government or private nonprofit entity shall provide  
18 assurances to the Secretary that services funded under  
19 this title will be integrated with other such services, that  
20 programs will be coordinated with other available pro-  
21 grams (including Medicaid), and that the continuity of  
22 care and prevention services of individuals with HIV is  
23 enhanced.

1   **“SEC. 2682. AUDITS.**

2           “(a) IN GENERAL.—For fiscal year 2009, and each  
3 subsequent fiscal year, the Secretary may reduce the  
4 amounts of grants under this title to a State or political  
5 subdivision of a State for a fiscal year if, with respect to  
6 such grants for the second preceding fiscal year, the State  
7 or subdivision fails to prepare audits in accordance with  
8 the procedures of section 7502 of title 31, United States  
9 Code. The Secretary shall annually select representative  
10 samples of such audits, prepare summaries of the selected  
11 audits, and submit the summaries to the Congress.

12          “(b) POSTING ON THE INTERNET.—All audits that  
13 the Secretary receives from the State lead agency under  
14 section 2617(b)(4) shall be posted, in their entirety, on  
15 the Internet website of the Health Resources and Services  
16 Administration.

17   **“SEC. 2683. PUBLIC HEALTH EMERGENCY.**

18           “(a) IN GENERAL.—In an emergency area and dur-  
19 ing an emergency period, the Secretary shall have the au-  
20 thority to waive such requirements of this title to improve  
21 the health and safety of those receiving care under this  
22 title and the general public, except that the Secretary may  
23 not expend more than 5 percent of the funds allocated  
24 under this title for sections 2620 and section 2603(b).

25          “(b) EMERGENCY AREA AND EMERGENCY PE-  
26 RIOD.—In this section:

1           “(1) EMERGENCY AREA.—The term ‘emergency  
2           area’ means a geographic area in which there ex-  
3           ists—

4                   “(A) an emergency or disaster declared by  
5           the President pursuant to the National Emer-  
6           gencies Act or the Robert T. Stafford Disaster  
7           Relief and Emergency Assistance Act; or

8                   “(B) a public health emergency declared  
9           by the Secretary pursuant to section 319.

10          “(2) EMERGENCY PERIOD.—The term ‘emer-  
11          gency period’ means the period in which there ex-  
12          ists—

13                   “(A) an emergency or disaster declared by  
14          the President pursuant to the National Emer-  
15          gencies Act or the Robert T. Stafford Disaster  
16          Relief and Emergency Assistance Act; or

17                   “(B) a public health emergency declared  
18          by the Secretary pursuant to section 319.

19          “(c) UNOBLIGATED FUNDS.—If funds under a grant  
20          under this section are not expended for an emergency in  
21          the fiscal year in which the emergency is declared, such  
22          funds shall be returned to the Secretary for reallocation  
23          under sections 2603(b) and 2620.

1   **“SEC. 2684. PROHIBITION ON PROMOTION OF CERTAIN AC-**  
2                           **TIVITIES.**

3           “None of the funds appropriated under this title shall  
4 be used to fund AIDS programs, or to develop materials,  
5 designed to promote or encourage, directly, intravenous  
6 drug use or sexual activity, whether homosexual or hetero-  
7 sexual. Funds authorized under this title may be used to  
8 provide medical treatment and support services for indi-  
9 viduals with HIV.

10   **“SEC. 2685. PRIVACY PROTECTIONS.**

11           “(a) IN GENERAL.—The Secretary shall ensure that  
12 any information submitted to, or collected by, the Sec-  
13 retary under this title excludes any personally identifiable  
14 information.

15           “(b) DEFINITION.—In this section, the term ‘person-  
16 ally identifiable information’ has the meaning given such  
17 term under the regulations promulgated under section  
18 264(c) of the Health Insurance Portability and Account-  
19 ability Act of 1996.

20   **“SEC. 2686. GAO REPORT.**

21           “The Comptroller General of the Government Ac-  
22 countability Office shall biennially submit to the appro-  
23 priate committees of Congress a report that includes a de-  
24 scription of Federal, State, and local barriers to HIV pro-  
25 gram integration, particularly for racial and ethnic minori-  
26 ties, including activities carried out under subpart III of

1 part F, and recommendations for enhancing the continuity  
2 of care and the provision of prevention services for individ-  
3 uals with HIV/AIDS or those at risk for such disease.  
4 Such report shall include a demonstration of the manner  
5 in which funds under this subpart are being expended and  
6 to what extent the services provided with such funds in-  
7 crease access to prevention and care services for individ-  
8 uals with HIV/AIDS and build stronger community link-  
9 ages to address HIV prevention and care for racial and  
10 ethnic minority communities.

11 **“SEC. 2687. DEFINITIONS.**

12 “For purposes of this title:

13 “(1) AIDS.—The term ‘AIDS’ means acquired  
14 immune deficiency syndrome.

15 “(2) CO-OCCURRING CONDITIONS.—The term  
16 ‘co-occurring conditions’ means one or more adverse  
17 health conditions in an individual with HIV/AIDS,  
18 without regard to whether the individual has AIDS  
19 and without regard to whether the conditions arise  
20 from HIV.

21 “(3) COUNSELING.—The term ‘counseling’  
22 means such counseling provided by an individual  
23 trained to provide such counseling.

24 “(4) FAMILY-CENTERED CARE.—The term  
25 ‘family-centered care’ means the system of services

1 described in this title that is targeted specifically to  
2 the special needs of infants, children, women and  
3 families. Family-centered care shall be based on a  
4 partnership between parents, professionals, and the  
5 community designed to ensure an integrated, coordi-  
6 nated, culturally sensitive, and community-based  
7 continuum of care for children, women, and families  
8 with HIV/AIDS.

9 “(5) FAMILIES WITH HIV/AIDS.—The term  
10 ‘families with HIV/AIDS’ means families in which  
11 one or more members have HIV/AIDS.

12 “(6) HIV.—The term ‘HIV’ means infection  
13 with the human immunodeficiency virus.

14 “(7) HIV/AIDS.—

15 “(A) IN GENERAL.—The term ‘HIV/AIDS’  
16 means HIV, and includes AIDS and any condi-  
17 tion arising from AIDS.

18 “(B) COUNTING OF CASES.—The term ‘liv-  
19 ing cases of HIV/AIDS’, with respect to the  
20 counting of cases in a geographic area during  
21 a period of time, means the sum of—

22 “(i) the number of living non-AIDS  
23 cases of HIV in the area; and

24 “(ii) the number of living cases of  
25 AIDS in the area.

1           “(C) NON-AIDS CASES.—The term ‘non-  
2           AIDS’, with respect to a case of HIV, means  
3           that the individual involved has HIV but does  
4           not have AIDS.

5           “(8) HUMAN IMMUNODEFICIENCY VIRUS.—The  
6           term ‘human immunodeficiency virus’ means the  
7           etiologic agent for AIDS.

8           “(9) OFFICIAL POVERTY LINE.—The term ‘offi-  
9           cial poverty line’ means the poverty line established  
10          by the Director of the Office of Management and  
11          Budget and revised by the Secretary in accordance  
12          with section 673(2) of the Omnibus Budget Rec-  
13          onciliation Act of 1981.

14          “(10) PERSON.—The term ‘person’ includes one  
15          or more individuals, governments (including the  
16          Federal Government and the governments of the  
17          States), governmental agencies, political subdivi-  
18          sions, labor unions, partnerships, associations, cor-  
19          porations, legal representatives, mutual companies,  
20          joint-stock companies, trusts, unincorporated organi-  
21          zations, receivers, trustees, and trustees in cases  
22          under title 11, United States Code.

23          “(11) STATE.—

1           “(A) IN GENERAL.—The term ‘State’  
2           means each of the 50 States, the District of Co-  
3           lumbia, and each of the territories.

4           “(B) TERRITORIES.—The term ‘territory’  
5           means each of American Samoa, Guam, the  
6           Commonwealth of Puerto Rico, the Common-  
7           wealth of the Northern Mariana Islands, the  
8           Virgin Islands, the Republic of the Marshall Is-  
9           lands, the Federated States of Micronesia, and  
10          Palau.

11          “(12) YOUTH WITH HIV.—The term ‘youth with  
12          HIV’ means individuals who are 13 through 24  
13          years old and who have HIV/AIDS.”.

## 14       **TITLE VI—DEMONSTRATION** 15       **AND TRAINING**

### 16   **SEC. 601. DEMONSTRATION AND TRAINING.**

17          Subpart I of part F of title XXVI of the Public  
18   Health Service Act (42 U.S.C. 300ff–101 et seq.) is  
19   amended to read as follows:

#### 20   **“Subpart I—Special Projects of National Significance**

#### 21   **“SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFI-** 22       **CANCE.**

23          “(a) IN GENERAL.—Of the amount appropriated  
24   under each of parts A, B, C, and D for each fiscal year,  
25   the Secretary shall use the greater of \$20,000,000 or an



1 amount equal to 3 percent of such amount appropriated  
2 under each such part, but not to exceed \$25,000,000, to  
3 administer special projects of national significance to—

4 “(1) quickly respond to emerging needs of indi-  
5 viduals receiving assistance under this title; and

6 “(2) to fund special programs to develop a  
7 standard electronic client information data system to  
8 improve the ability of grantees under this title to re-  
9 port client-level data to the Secretary.

10 “(b) GRANTS.—The Secretary shall award grants  
11 under subsection (a) to entities eligible for funding under  
12 parts A, B, C, and D based on—

13 “(1) whether the funding will promote obtaining cli-  
14 ent level data as it relates to the creation of a severity  
15 of need index under section 2618(a)(2)(E), including  
16 funds to facilitate the purchase and enhance the utilization  
17 of qualified health information technology systems;

18 “(2) demonstrated ability to create and maintain a  
19 qualified health information technology system;

20 “(3) the potential replicability of the proposed activ-  
21 ity in other similar localities or nationally;

22 “(4) the demonstrated reliability of the proposed  
23 qualified health information technology system across a  
24 variety of providers, geographic regions, and clients; and

1 “(5) the demonstrated ability to maintain a safe and  
2 secure qualified health information system; or

3 “(6) newly emerging needs of individuals receiving as-  
4 sistance under this title.

5 “(c) COORDINATION.—The Secretary may not make  
6 a grant under this section unless the applicant submits  
7 evidence that the proposed program is consistent with the  
8 statewide coordinated statement of need, and the appli-  
9 cant agrees to participate in the ongoing revision process  
10 of such statement of need.

11 “(d) PRIVACY PROTECTION.—The Secretary may not  
12 make a grant under this section for the development of  
13 a qualified health information technology system unless  
14 the applicant provides assurances to the Secretary that the  
15 system will, at a minimum, comply with the privacy regu-  
16 lations promulgated under section 264(c) of the Health  
17 Insurance Portability and Accountability Act of 1996.

18 “(e) REPLICATION.—The Secretary shall make infor-  
19 mation concerning successful models or programs devel-  
20 oped under this part available to grantees under this title  
21 for the purpose of coordination, replication, and integra-  
22 tion. To facilitate efforts under this subsection, the Sec-  
23 retary may provide for peer-based technical assistance for  
24 grantees funded under this part.”.

1 **SEC. 602. AIDS EDUCATION AND TRAINING CENTERS.**

2 (a) AMENDMENTS REGARDING SCHOOLS AND CEN-  
3 TERS.—Section 2692(a)(2) of the Public Health Service  
4 Act (42 U.S.C. 300ff–111(a)(2)) is amended—

5 (1) in subparagraph (A)—

6 (A) by inserting “and Native Americans”  
7 after “minority individuals”; and

8 (B) by striking “and” at the end;

9 (2) in subparagraph (B), by striking the period  
10 and inserting “; and”; and

11 (3) by adding at the end the following:

12 “(C) train or result in the training of  
13 health professionals and allied health profes-  
14 sionals to provide treatment for hepatitis B or  
15 C co-infected individuals.”.

16 (b) AUTHORIZATIONS OF APPROPRIATIONS FOR  
17 SCHOOLS, CENTERS, AND DENTAL PROGRAMS.—Section  
18 2692(c) of the Public Health Service Act (42 U.S.C.  
19 300ff–111(c)) is amended to read as follows:

20 “(c) AUTHORIZATION OF APPROPRIATIONS.—

21 “(1) SCHOOLS; CENTERS.—For the purpose of  
22 awarding grants under subsection (a), there is au-  
23 thorized to be appropriated \$34,700,000 for each of  
24 the fiscal years 2007 through 2011.

25 “(2) DENTAL SCHOOLS.—For the purpose of  
26 awarding grants under subsection (b), there is au-

1       thorized to be appropriated \$13,000,000 for each of  
 2       the fiscal years 2007 through 2011.”.

3       **SEC. 603. CODIFICATION OF MINORITY AIDS INITIATIVE.**

4       Part F of title XXVI of the Public Health Service  
 5 Act (42 U.S.C. 300ff–101 et seq.) is amended by adding  
 6 at the end the following:

7               **“Subpart III—Minority AIDS Initiative**

8       **“SEC. 2693. MINORITY AIDS INITIATIVE.**

9       “(a) IN GENERAL.—For the purpose of carrying out  
 10 activities under this section to evaluate and address the  
 11 disproportionate impact of HIV/AIDS on, and the dispari-  
 12 ties in access, treatment, care, and outcomes for, racial  
 13 and ethnic minorities (including African Americans, Alas-  
 14 ka Natives, Latinos, American Indians, Asian Americans,  
 15 Native Hawaiians, and Pacific Islanders), there are au-  
 16 thorized to be appropriated \$131,200,000 for fiscal year  
 17 2007, \$135,100,000 for fiscal year 2008, \$139,100,000  
 18 for fiscal year 2009, \$143,200,000 for fiscal year 2010,  
 19 and \$147,500,000 for fiscal year 2011.

20       “(b) CERTAIN ACTIVITIES.—

21               “(1) IN GENERAL.—In carrying out the purpose  
 22 described in subsection (a), the Secretary shall pro-  
 23 vide for—

24                       “(A) emergency assistance under part A;

25                       “(B) care grants under part B;

1 “(C) early intervention services under part  
2 C;

3 “(D) services through projects for HIV-re-  
4 lated care under part D; and

5 “(E) activities through education and  
6 training centers under section 2692.

7 “(2) ALLOCATIONS AMONG ACTIVITIES.—Activi-  
8 ties under paragraph (1) shall be carried out by the  
9 Secretary in accordance with the following:

10 “(A) For competitive, supplemental grants  
11 to improve HIV-related health outcomes to re-  
12 duce existing racial and ethnic health dispari-  
13 ties, the Secretary shall, of the amount appro-  
14 priated under subsection (a) for a fiscal year,  
15 reserve the following, as applicable:

16 “(i) For fiscal year 2007,  
17 \$43,800,000.

18 “(ii) For fiscal year 2008,  
19 \$45,400,000.

20 “(iii) For fiscal year 2009,  
21 \$47,100,000.

22 “(iv) For fiscal year 2010,  
23 \$48,800,000.

24 “(v) For fiscal year 2011,  
25 \$50,700,000.

1           “(B) For competitive grants used for sup-  
2           plemental support education and outreach serv-  
3           ices to increase the number of eligible racial  
4           and ethnic minorities who have access to treat-  
5           ment through the program under section 2616  
6           for therapeutics, the Secretary shall, of the  
7           amount appropriated for a fiscal year under  
8           subsection (a), reserve the following, as applica-  
9           ble:

10                   “(i) For fiscal year 2007, \$7,000,000.

11                   “(ii) For fiscal year 2008,  
12                   \$7,300,000.

13                   “(iii) For fiscal year 2009,  
14                   \$7,500,000.

15                   “(iv) For fiscal year 2010,  
16                   \$7,800,000.

17                   “(v) For fiscal year 2011, \$8,100,000.

18           “(C) For planning grants, capacity-build-  
19           ing grants, and services grants to health care  
20           providers who have a history of providing cul-  
21           turally and linguistically appropriate care and  
22           services to racial and ethnic minorities, the Sec-  
23           retary shall, of the amount appropriated for a  
24           fiscal year under subsection (a), reserve the fol-  
25           lowing, as applicable:

1 “(i) For fiscal year 2007,  
2 \$53,400,000.

3 “(ii) For fiscal year 2008,  
4 \$55,400,000.

5 “(iii) For fiscal year 2009,  
6 \$57,400,000.

7 “(iv) For fiscal year 2010,  
8 \$59,500,000.

9 “(v) For fiscal year 2011,  
10 \$61,800,000.

11 “(D) For eliminating racial and ethnic dis-  
12 parities in the delivery of comprehensive, cul-  
13 turally and linguistically appropriate care serv-  
14 ices for HIV disease for women, infants, chil-  
15 dren, and youth, the Secretary shall, of the  
16 amount appropriated under subsection (a), re-  
17 serve \$18,500,000 for each of the fiscal years  
18 2007 through 2011.

19 “(E) For increasing the training capacity  
20 of centers to expand the number of health care  
21 professionals with treatment expertise and  
22 knowledge about the most appropriate stand-  
23 ards of HIV disease-related treatments and  
24 medical care for racial and ethnic minority  
25 adults, adolescents, and children with HIV dis-

1 ease, the Secretary shall, of the amount appro-  
 2 priated under subsection (a), reserve  
 3 \$8,500,000 for each of the fiscal years 2007  
 4 through 2011.

5 “(c) CONSISTENCY WITH PRIOR PROGRAM.—With  
 6 respect to the purpose described in subsection (a), the Sec-  
 7 retary shall carry out this section consistent with the ac-  
 8 tivities carried out under this title by the Secretary pursu-  
 9 ant to the Departments of Labor, Health and Human  
 10 Services, and Education, and Related Agencies Appropria-  
 11 tions Act, 2002 (Public Law 107–116).”.

## 12 **TITLE VII—MISCELLANEOUS** 13 **PROVISIONS**

### 14 **SEC. 701. HEPATITIS; USE OF FUNDS.**

15 Section 2667 of the Public Health Service Act (42  
 16 U.S.C. 300ff–67) is amended—

17 (1) in paragraph (2), by striking “and” at the  
 18 end;

19 (2) in paragraph (3), by striking the period and  
 20 inserting “; and”; and

21 (3) by adding at the end the following:

22 “(4) shall provide information on the trans-  
 23 mission and prevention of hepatitis A, B, and C, in-  
 24 cluding education about the availability of hepatitis



1       A and B vaccines and assisting patients in identi-  
2       fying vaccination sites.”.

3   **SEC. 702. CERTAIN REFERENCES.**

4       Title XXVI of the Public Health Service Act (42  
5   U.S.C. 300ff et seq.) is amended—

6           (1) by striking “acquired immune deficiency  
7       syndrome” each place such term appears, other than  
8       in section 2687(1) (as added by section 501 of this  
9       Act), and inserting “AIDS”;

10          (2) by striking “such syndrome” and inserting  
11       “AIDS”; and

12          (3) by striking “HIV disease” each place such  
13       term appears and inserting “HIV/AIDS”.

Union Calendar No. 420

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> Session

**H. R. 6143**

[Report No. 109-695]

**A BILL**

To amend title XXVI of the Public Health Service Act to revise and extend the program for providing life-saving care for those with HIV/AIDS.

SEPTEMBER 28, 2006

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed